

La Quinta

GEM OF THE DESERT

HOUSING ELEMENT



C i t y o f L a Q u i n t a , C a l i f o r n i a



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FINAL

**CITY OF LA QUINTA
HOUSING ELEMENT UPDATE**

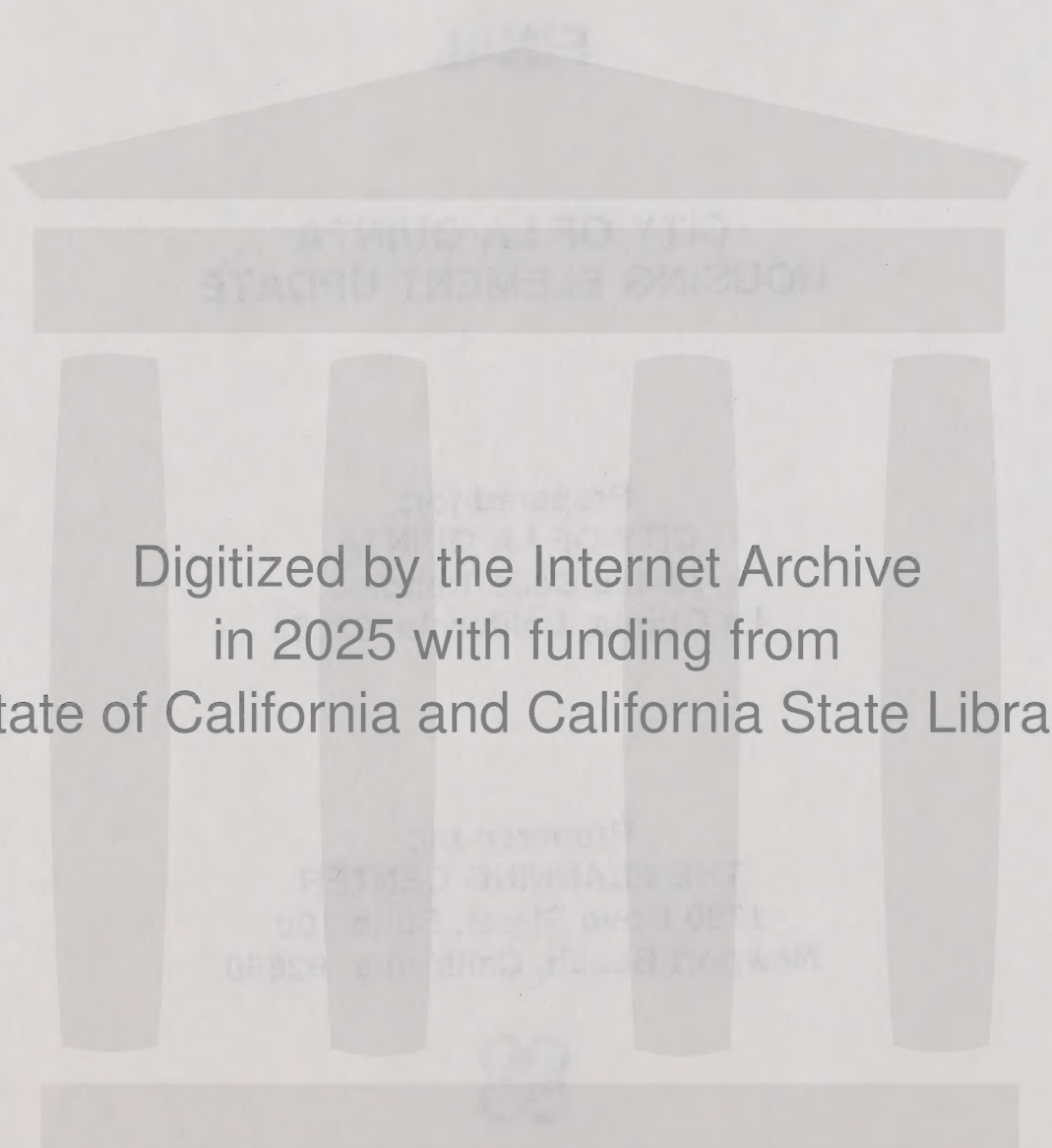
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Chapter 11 Housing Element

1.0 INTRODUCTION

1.1 Purpose

The Housing Element of the La Quinta General Plan identifies and establishes the City's policy relative to the maintenance and development of housing to meet the needs of existing and future residents. It establishes policies that will guide City decision making, and sets forth an action program to implement housing goals through 1996. These commitments are an expression of the statewide housing goal of "early attainment of decent housing and a suitable living environment for every California family", as well as an expression of the concern of La Quinta residents for the attainment of a suitable living environment for every La Quinta household.

The purpose of the Element is to establish official policy which:

1. Identifies existing and projected housing needs, and inventories resources and constraints that are relevant to meeting these needs. The assessment and inventory includes:
 - Community Profile
 - Housing Profile
 - Land Resource Inventory
 - Governmental and Non-Governmental Constraints Analysis
 - Analysis of Special Needs Housing
 - Identification of Assisted Units "At Risk" of Conversion
2. Identifies the community's goals, objectives, and policies relative to the preservation, improvement, and development of housing.
3. Identifies a program which sets forth a schedule of actions the City of La Quinta (the "City") is undertaking or intends to undertake to

implement the policies and achieve the goals and objectives of the housing element through the administration of land use controls, provision of regulatory concessions and incentives, and the utilization of appropriate federal and state subsidy programs.

The Housing Element has been designed to address key housing issues in the City. These issues include the provision of a mix and balance of housing types and costs to meet the needs of all segments of the community while maintaining a low density character, provision of affordable housing for special needs groups in the community, and the maintenance of the existing affordable housing stock found predominantly in the Cove and Village environs. The Housing Element has been designed to meet the legislative requirements of Housing Element law.

1.2 Consistency With State Planning Law

The Housing Element is one of the seven General Plan elements mandated by the State of California. Sections 65580 to 65589.8 of the California Government Code contain the legislative mandate for the housing element. State law requires that the City's Housing Element consist of "*an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement and development of housing*". (Section 65583) State law also requires that the City evaluate its housing element every five years to determine its effectiveness in achieving City and Statewide housing goals and objectives, and to adopt an updated Element which reflects the results of this evaluation. In the case of any jurisdiction within the Southern California Association of Governments (SCAG) region, this five year period has been extended from 1989 - 1994 to 1989 - 1996 per Assembly Bill 2172.

State law is very specific on the content of the Housing Element and makes it clear that the provision of affordable housing is the responsibility of all local governments. The City is expected to contribute toward regional housing needs and to contribute to the attainment of State housing goals.

1.3 General Plan Consistency

The Housing Element is one of ten elements of the **La Quinta General Plan**. The goals, policies, standards and proposals within this element shall relate directly to, and shall be consistent with all other elements. The Housing Element identifies programs and resources required for the preservation, improvement and development of housing to meet the existing and projected needs of its population.

The Housing Element is affected by development policies contained in the Land Use Element, which establishes the location, type, intensity and distribution of land uses throughout the City and defines the buildout land use scenario. In designating total acreage density of residential development, the Land Use Element places an upper limit on the number and types of housing units constructed in the City. The acreage designated for a range of commercial and office uses creates employment opportunities for various income groups. The presence and potential for jobs affects the current and future demand for housing at the various income levels in the City.

The Circulation Element also affects the implementation of the Housing Element. The Circulation Element establishes policies for providing essential streets and roadways to all housing that is developed. The policies that are contained in the other elements of the General Plan affect the quality of life of the citizens of the City, through the control of the amount and variety of open space and recreation areas, acceptable noise levels in residential areas, and programs to provide for the safety of the residents.

The Housing Element utilizes 1990 Census data, 1994 field surveys and data generated from the 1992 General Plan Update, and is consistent with existing and projected population, employment and housing figures presented in the **1992 La Quinta General Plan**.

1.4 Scope and Content

This Housing Element updates the Housing Element adopted by the City in 1989, which, (inclusive of staff responses to HCD comments), was found by HCD to be in compliance with established criteria in January, 1994. The Housing Element is designed to meet several key objectives: ensure internal consistency with the recently adopted General Plan; meet recently enacted statutory requirements; introduce updated housing, population and needs analysis; incorporate the suggested staff responses to HCD comments which address the issues identified by HCD in reference to the adopted 1989 Housing Element.

The Housing Element is organized in the following manner:

- **Introduction** - Includes a statement of the purpose of the Housing Element and statutory requirements, a statement of the relationship between the Housing Element and other General Plan elements, the scope, content and organization of the Element, and summarizes the public participation process.
- **Summary of Key Housing Issues** - Includes a discussion of key housing needs and program planning issues which are addressed in the Housing Element.
- **Housing Vision Statement** - Includes a statement describing the future vision of housing in La Quinta as developed by the citizens and elected officials of the City. The policies in the Housing Element are designed to bring this vision to fruition.

- **Existing Conditions/Background** - Discusses characteristics of the population, households and housing in La Quinta, growth and employment trends, and housing stock costs/rents.
- **Housing Needs** - Includes an analysis of groups in the City which may have special housing needs, the implications of the affordability of housing stock in relation to household income, and projected housing needs.
- **Housing Constraints** - Includes a discussion of governmental, market/economic and physical constraints to the development of housing and opportunities for energy conservation which affect housing costs and production.
- **Residential Land Resources** - Includes an inventory of land available for residential development, redevelopment potential and facilities that support existing residential communities.
- **Goals, Objectives and Policies** - Includes a description of the City of La Quinta's policies relative to the accommodation of future household growth in the region and development of affordable housing.
- **Housing Plan Implementation Measures** - Includes a summary of the various actions, programs and strategies the City of La Quinta should take to implement the Housing Element goals, objectives and policies.
- **Quantified Objectives** - Includes a summary of the number of housing units that will be constructed, rehabilitated and preserved over the planning period.
- **Evaluation of Past Housing Element** - Includes a summary of the achievements of the past Housing Element planning period.

1.5 Public Participation

The California Government Code requires that local government make a diligent effort to achieve public participation from all economic segments of the community in the development of the housing element. During the preparation of the recently adopted **La Quinta General Plan**, public input was actively encouraged. As this Housing Element is interrelated with the other elements of the 1992 General Plan, the public participation process undertaken during the development of the 1992 **La Quinta General Plan** is considered relevant to this Housing Element.

In the preparation of the Housing Element Update, a number of organizations and agencies that provide housing, or housing related services, were contacted. Responses from these groups helped guide the housing needs assessment portion of the Housing Element, as well as the action plan.

The Housing Element Update involved a joint City Council/Planning Commission Workshop, a publicly noticed Public Hearing before both the Planning Commission and City Council, and the availability of documents for public review at City Hall during the public review process. The Draft and Final Housing Element were circulated to the Department of Housing and Community Development for review and comment.

2.0 SUMMARY OF KEY HOUSING ISSUES

The City of La Quinta faces increasing development pressures but is desirous of maintaining its low density character. The Housing Element promotes a mix and balance of residential development options available to existing and future residents of the City. However, maintenance of the low density character is promoted by the City.

2.1 Housing Affordability

State housing policy recognizes that cooperative participation of the public and private sectors is necessary to expand housing opportunities to all economic segments of the community. Historically, the private sector generally responds to the majority of the community's housing needs through the provision of market-rate housing. However, due to economic conditions and trends in the State, the affordability of low density market rate housing is declining.

The correlation between income deficiencies and housing problems (affordability and maintenance) indicates the need to develop the means to assist very low (less than 50% of County Median income) and low-income (between 50% and 80% of County Median income) households with both attaining and improving their existing housing. Although government subsidized housing programs will continue to be instrumental in improving the living conditions of those households, other actions are also essential to deal with these needs. In addition to the challenge of meeting current housing needs, provisions must also be made to satisfy the housing needs of the future. In general, it is reasonable to expect that the housing needs of low income families will, in many cases, continue to be unsatisfied through the market rate inventory, making government assisted housing programs essential.

It is a primary goal of the City of La Quinta to adopt local policies and procedures to provide affordable housing to its residents that do not unreasonably add to escalating City costs. Although state and local governments, as well as private industry, have important roles in the provision of assisted housing, federal funding of existing and/or new housing programs is essential to the provision for very-low, low- and moderate- income households. Without that resource, the ability of local government to address the housing needs of these income groups is reduced. However, in recent years federal and state policies have shifted costs to local governments on the theory that local governments can increase or create fees to pay for

public services. This has added to the costs of housing and diminished resources to assist the very low- and low-income groups.

The City of La Quinta will need to address a number of specific concerns which are critical in meeting future housing needs. Future housing needs will increasingly be translated into greater demand for more affordable housing types like multiple family units and creative mixed-use products. While the Land Use Plan provides for a full range of housing types and densities, future decisions of the City regarding public improvements, zoning and development standards will determine the extent to which multiple family housing and creative housing products will be successfully utilized in meeting anticipated housing needs.

2.2 Projected Housing Need

The City has experienced significant growth over the past decade. According to the U.S. Census, between 1980 and 1990, both the population and total number of housing units increased over 125 percent. Because of the trend in low interest rates, most of the residential construction has been for the single-family and second home resort market rather than the multiple-family market. However, a large stock of primarily single family housing affordable to lower income households exists in the City, providing housing prices which are low enough that the majority of households will be able to find affordable market rate housing as purchasers or renters. In addition, many of the low and very low-income households will find affordable housing through upward mobility of other households.

Individuals and households with "special needs" are those whose housing requirements go beyond just a safe and sanitary dwelling at an affordable price and include either unique physical or sociological requirements, or both. Included in this category are: senior citizens and handicapped persons, who have particular physical needs as well as sociological needs unique to their group; large families who need four, five, or more

bedrooms in a dwelling; homeless persons, who cannot afford permanent housing; and families with female heads of households.

Not all persons and households in La Quinta with "special needs" are in the lower income groups, but it is assumed that where sufficient income is available, these special needs can be satisfied. Special needs groups with low or limited incomes are those targeted by the Housing Plan.

2.3 Available Land Inventory

The General Plan establishes land reserved for residential growth. These acreages include vacant and undeveloped lands presently within the City of La Quinta that are adjacent to or within service range from public sewer, water and street systems. The City encourages in-fill development, particularly within the Cove.

Specific plans and tract maps have been approved for a large proportion of the City. The Land Use Plan locates higher density residential uses in areas close to employment centers, the Village, and major transportation corridors. The character of such uses is guided through sensitive design, buffering, landscaping and screening techniques.

2.4 Housing Opportunities

A balanced inventory of housing in terms of unit type, cost, tenure and style promotes a range of housing options that are necessary to support an economically and socially diverse community. While the Land Use Plan promotes significant managed growth in the City, it is not to occur at the expense of the unique quality of life and community character that the City of La Quinta embodies. The City's intent is not to promote exclusivity in housing character, but to support its cultural diversity and affordable housing stock in the Cove and the Village while also providing housing opportunities at the mid- to upper ranges of affordability through development and lot consolidation incentives. Improvements to existing residential neighborhoods simultaneous with new development emphasizes the effort to integrate

future areas of the City with the low density - resort character of La Quinta.

2.5 Housing Rehabilitation/Conservation

Although the assessment of current housing needs indicates that the majority of La Quinta's population is adequately housed, it also illustrates that a certain segment of La Quinta households are experiencing housing quality problems. Based on the inventory of housing conditions performed in March/April 1994 more than 500 homes, including 176 mobile homes, need varying degrees of repair or rehabilitation.

Part of this problem stems from the fact that many dwellings were built prior to City administered building codes, design review, and planning regulation. In other cases, development occurred without supportive roadway or sewer infrastructure and facilities. A large proportion of mobile home park units appear to have suffered from the desert environment and deferred maintenance. However, the State regulates the maintenance of mobile home parks and therefore it is not within the City's jurisdiction to assume responsibility for code enforcement or building citations for correction of deferred maintenance conditions.

2.6 Constraints to Affordable Housing

Many factors affect the ultimate cost of housing to the consumer, be it rental or owner occupied. Those factors which either prevent construction or raise the cost of construction and/or improvement of housing can be considered constraints. Some of these constraints are the result of local governmental actions, policies, regulations and standards, and some are non-governmental market factors. However, governmental and non-governmental constraints are interrelated and affect one another. Therefore, action programs which influence governmental constraints can also affect non-governmental constraints.

Non-governmental constraints are beyond the control of local government and generally cannot be impacted by the actions of a city or county.

However, certain actions by the City can mitigate some of the adverse impacts of market constraints on a very localized basis.

2.7 Balanced Growth

New residential development that is compatible with existing development is important in maintaining the quality of life highly valued by residents of the La Quinta community. The adequate provision in infrastructure and services is considered a necessary qualification to residential development to ensure that future growth does not adversely impact the community. The City's Redevelopment Agency is active in utilizing its resources for improvements to improve the quality of life in the community. The City's Land Use Vision Statement promotes an economically diverse, viable community, with housing opportunities to support its commercial growth.

2.8 Equal Housing Opportunity

Although essential to meeting housing needs, the provision of a sufficient number of dwelling units will not in itself ensure that the entire population will be adequately housed. For example, households with insufficient income to purchase or rent quality housing, may be denied a choice of housing location, adequate size or type because appropriate housing at acceptable cost is not adequately dispersed throughout the community. Generally speaking, although inadequate distribution of affordable housing within a community or region is an important constraint to choice, additional factors contributing to discrimination due to race, religion or ethnic background is an equally significant factor affecting the renting or sale of housing. The City provides for a variety of housing types and densities to meet the needs of its residents, and upholds fair employment and housing practices. In order to prohibit housing discrimination practice in accordance with national fair housing law, effective implementation of housing programs is contingent on full coordination with federal, state and local agencies involved in the provision of housing, or housing related services.

2.9 Energy Conservation

The City has promoted energy conservation for residential uses on both educational and regulatory levels. The City plans to support educational programs which promote residential energy conservation for both new construction and existing residences in La Quinta.

On a regulatory level, the City enforces the State Energy Conservation Standards (Title 24, California Administrative Code). These standards incorporated into the City's Building Code provide a great deal of flexibility for individual builders to achieve a minimum "energy budget" through the use of various performance standards. These requirements apply to all new residential and commercial construction as well as remodeling and rehabilitation construction only where square footage is added. The City has not adopted subdivision and site plan review regulations or policies which require compliance with specific energy conservation standards.

3.0 HOUSING VISION STATEMENT

A Housing Vision Statement based on the key housing issues and developed through cooperation of the citizens and elected officials of the City of La Quinta is presented below. The housing policies and programs included in this Housing Element are designed to bring this vision to fruition.

"The City of La Quinta's vision of the future for housing focuses on encouraging the provision of suitable housing for all City residents while maintaining and enhancing the City's high quality of life for its residents. Through its housing programs, the City will facilitate the maintenance and improvement of its existing housing stock resources, and encourage the production of a variety of new housing to meet residents' needs, while preserving the overall low density character of the City."

4.0 COMMUNITY PROFILE

The housing needs of the City are determined by characteristics of the population (age, household size, employment, ethnicity) and the characteristics of housing which are available to that population (number of units, tenure, size, cost, etc.) The housing stock is seldom perfectly suited to all of the residents of a community because life situations change and different types of housing are needed at different stages of one's life. This section explores the characteristics of the existing and projected population and housing stock in order to define the extent of unmet housing needs in the community. This information helps to and provide direction in updating the City's Housing Element goals, policies, and programs.

The information used to define the City's current and projected housing needs was provided by the 1989 La Quinta Housing Element Update, the County of Riverside, as well as the 1992 La Quinta General Plan and Bureau of Census reports.

4.1 Population

The City of La Quinta is one of nine cities located in the Coachella Valley subregion of Riverside County. The County continues to experience tremendous growth, and remains one of the fastest growing regions in the State of California.

The Coachella Valley begins east of the San Geronio Pass and extending down the valley formed by Mt. San Jacinto and the Santa Rosa mountains on the west and the Little San Bernardino mountains to the northeast as far as the Riverside County/Imperial County line to the south. The Coachella Valley includes the Cities of Cathedral City, Coachella, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs, and Rancho Mirage, as well as large areas of unincorporated Riverside County.

From 1980 to 1990, the population of La Quinta grew by 125 percent, as reported by the California Department of Finance, making it the second fastest growing city in the Coachella Valley. The number of residents increased from 4,552 (according to the DOF January 1, 1981 population

estimate) to 11,215 in 1990. A special Census was taken for the City in 1986, which determined the population for the City was 7,464, which represents a 63.9 percent increase from the 1/1/81 DOF population estimate. It should be noted that the California Department of Finance population estimates are higher than those shown by the U.S. Census, which explains the discrepancy in population numbers shown in Tables H-1 and H-2.

During the same ten-year period (1980-1990), the Coachella Valley increased 63.3 percent, from 133,583 in 1980 to a population of 218,093 in the 1990 Census. The County of Riverside also experienced a larger population increase from 663,199 in 1980 to 1,110,021 in the 1990 Census, which represents a 67.4 percent increase.

The City's population is anticipated to increase by 11,331 persons by the year 2000. The population growth projections for 2000 assume 22,546 persons as referenced in the Land Use Resources section of the Housing Element. The 1994 City of La Quinta population is estimated at 16,634 persons.

As mentioned above, La Quinta was the second fastest growing City in the Coachella Valley for the period of 1980-1990. The population of the Coachella Valley as a whole grew by 63 percent. The entire Valley averaged an annual growth rate of five percent; La Quinta's share of the entire Valley population increased from 3.7 percent in 1980 to 5.1 percent in 1990.

When discussing population increases, it is also useful to look at the absolute increase in population due to the range in size of cities in the Coachella Valley (see Table H-2). From this perspective, Cathedral City is the largest growing city with an increase in population of approximately 19,000 people. La Quinta experienced the sixth largest increase with an added population of over 7,800. Population in the unincorporated areas of the Coachella Valley grew by over 5,000 persons. The unincorporated area is comprised of numerous locations scattered throughout the Valley and thus is not comparable to cities, as discussed above.

**TABLE H-1
POPULATION GROWTH
1980-1993**

City/Region	1980	1986	1990	1980-1990 Growth		1993 ²	1990-1993 Growth	
				%	#		%	#
La Quinta	4,552 ¹	7,464	11,215	146.7	6,663	15,693	39.9	4,478
Coachella Valley	133,583	171,311	218,093	63.3	84,510	N/A	--	--
Riverside County	663,199	840,451	1,110,021	67.4	446,822	1,328,320	19.7	218,299

1. California Department of Finance, Population Estimates, January 1, 1981 for City of La Quinta

2. California Department of Finance, Population Estimates, January 1, 1993

Source: Master Environmental Assessment, La Quinta General Plan 1992, prepared by BRW, Inc.

**TABLE H-2
POPULATION GROWTH IN THE COACHELLA VALLEY**

City	1980 TOTAL ¹	1990 TOTAL ²	Change 1980-1990
Cathedral City	11,096	30,085	18,989
Coachella	9,129	16,896	7,767
Desert Hot Springs	5,941	11,668	5,727
Indian Wells	1,394	2,480	1,086
Indio	21,611	36,793	15,182
La Quinta	3,328	11,215	7,887
Palm Desert	11,801	23,252	11,451
Palm Springs	32,366	40,181	7,815
Rancho Mirage	6,281	9,778	3,497
Unincorporated	30,636	35,745	5,109
Total	133,583	218,093	84,510

1. Source: 1980 Census tabulations provided by Southern California Association of Governments

2. Source: 1990 Census tabulations provided by Southern California Association of Governments

However, it is important to note that the majority of the growth in the unincorporated area took place in close proximity to La Quinta. This area (Bermuda Dunes) in which the population increased by 7,280 persons to 10,140 residents is bounded on the south by Fred Waring Drive, on the north by Interstate 10, on the west by Indian Wells and Palm Desert, and on the east by Indio.

Seasonal Population Size

The seasonal or part-time resident population is not included in the population estimates compiled by the Census Bureau. All citizens of the United

States are classified according to the location of their primary residence. The California Department of Finance provides a yearly estimate of total built housing units and an estimate of the number of vacant units. In resort communities like La Quinta, the number of vacant units reflects the number of units that are not occupied year-round, as well as those that are ready for year-round occupancy but as yet have not been inhabited.

The following two paragraphs were excerpted from Appendix B, Existing Economic Conditions and Population and Economic Projections, pages B-6 and B-7, of the La Quinta General Plan Master

Environmental Assessment. Vacancy rates have been updated to 1994 conditions to reflect current conditions.

As of January 1, 1994, the vacancy rate for La Quinta was estimated at 34.3 percent. Assuming that the vacancy rate of units inhabited by year round residents is 5.5 percent (based upon areas with little or no seasonal population), 28.8 percent of all housing units in La Quinta are used by seasonal residents. Based on the January 1, 1994 Department of Finance housing estimate of 8,483 dwelling units, 2,443 dwelling units are occupied only part of the year. With an average occupancy of 2.5, it is estimated that 6,107 persons live in La Quinta for some part of the year, but have a primary residence elsewhere.

For purposes of the General Plan, Master Environmental Assessment and the Housing Element, it is assumed that the average length of stay of seasonal residents is equal to 40 percent of the units being occupied year-round (seasonal occupant=.40 year-round occupant). This includes those persons who stay at their homes primarily on the weekends, as well as those who stay for several months. This length of stay estimate is based on surveys by the Palm Springs Visitor and Convention Bureau, and adjusted for more recent activity in resort-style housing units.

4.2 Age Composition

Between 1980 and 1986, there were slight shifts in all but two age groups. The youngest age group, 17 years and below, remained relatively stable at approximately 32 percent of the population. The age group 18 to 34 decreased from 37 percent of the total population to 31 percent, while the age

group 35 to 54 increased its share of population from 16 to 21 percent. The 55 and above age group remained relatively the same at 16%.

Between 1986 and 1990 the age distribution of the City's population remained fairly constant with no significant increase or decrease in the distribution of age groups. Table H-3, Age Distribution, shows the change in age groups from 1986 to 1990. As shown in Table H-3, children (0-17 years) comprise 29.9 percent of the population, adults (ages 18-64) represent 60.6 percent and senior citizens (65 and over years) make up 9.6 percent of the population.

The 1990 Census further breaks down the age categories discussed above. The Census indicates that the 30 to 34 year old age bracket is the largest single age group in the City, comprised of 1,162 individuals, and accounts for 10.4 percent of the total population. The 25 to 29 year age bracket is the second largest group and accounts for 9.6 percent of the total population.

The age composition has shifted between 1986 and 1990 indicating that there are slightly more adults and seniors, 60.5 and 9.6 percent in 1990 as compared to 59.4 and 8.8 percent in 1986, as well as fewer children under the age of 17, 29.9 percent in 1990 as compared to 31.8 percent in 1986.

In 1986, 63 percent of the resident population in La Quinta was under 35 years of age and 40 percent was under the age of 25. In 1990, approximately 58 percent of the population was under 35 years of age and 38 percent was under the age of 25. The median age of the overall population in 1990 was 31.1 years. The median age within the Hispanic population is significantly lower at 21.5 years.

**TABLE H-3
AGE DISTRIBUTION OF POPULATION
1986-1990**

Age Group	1986 ¹	% of Total Population	1990	% of Total Population	Change 1986-1990		
					% of Total Population ²	#	% ³
Children (0-17)	2,376	31.8	3,355	29.9	- 1.9	+ 977	41.2
Adults (18-64)	4,430	59.4	6,787	60.5	+ 1.1	+2,357	53.2
Seniors (65+)	658	8.8	1,073	9.6	+ 0.8	+ 415	63.1
Total	7,464	100.0	11,215	100.0	-----	+3,751	

1. US Census Bureau, City of La Quinta Special Census

2. Number reflects the change between the percent of Total Population in 1986 and the percentage of Total Population in 1990 (column 5 minus column 3).

3. Percent change in numerical terms (column 4 divided by column 2).

4.3 Race and Ethnicity

The U.S. Census provides statistics regarding the race and ethnicity of a city's population. Although the number of minority residents in La Quinta increased slightly between 1986 and 1990, the City is primarily comprised of persons classified as "White, not of Spanish Origin." Ethnicity information from the 1980 Census, for the area that is now incorporated, revealed 80.8 percent of the La Quinta population as Caucasian, 14.7 percent as Hispanic, 2.3 percent as Afro-American, 1.1 percent as Asian, and 0.5 percent as Native American. The 1986 Special Census reported 76.2 percent as Caucasian, 20.5 percent as Hispanic, 1.4 percent as Afro-american, 0.4 percent as American Indian, 0.7 percent as Asian, and 0.8 percent as other. The results of the 1990 Census show a population mix of 70 percent Caucasian, 26 percent Hispanic, 1.6 percent Afro American, 1.5 percent Asian, and 1.0 percent Native American. Table H-4 highlights the ethnic distribution of the population for 1980, 1986 and 1990.

The following paragraphs were excerpted from Appendix B of the La Quinta General Plan Master Environmental Assessment, pages B-3 and B-6, which discuss the issue of ethnicity in the City.

The 1990 Census requested information about Hispanic Origin in a separate question from that of race. It appears that many Hispanics placed themselves in the "other" category when responding to the question about race, since the

"other" category is unusually large. However, the "other" category does not account for the total number of Hispanics in the City of La Quinta. Hispanics that did not identify themselves as "other" elected to categorize themselves as White, Black or American Indian.

In order to incorporate the "Hispanic Origin" category into the data on race, thus making the 1990 data comparable to the 1980 data, two assumptions were made by the Census.

First, all persons in the "other" category for race were assumed to be Hispanic. Second, the balance of the Hispanics were assumed to be in the White, Black, or American Indian categories. To subtract out the appropriate number of Hispanics from these groups, the balance of the Hispanics were prorated and these groups adjusted accordingly. The result is the ability to use the category "Hispanic Origins" as an ethnic group without double counting the persons in that group.

The number of minorities in the overall population for 1990 represents approximately one-third of the total population. Each group saw a percentage increase in their own ethnic group population from 1986 to 1990. The Hispanic group saw the largest increase at 5.8 percent. The remaining ethnic populations saw smaller increases. The Afro-American population increased by 0.2 percent, the number of American Indians in La Quinta increased by 0.6 increase, and the Asian population increased by 0.8 percent.

**TABLE H-4
ETHNIC BACKGROUND OF LA QUINTA POPULATION
1980 - 1990**

Ethnic Group	1980		1986		% Change 1980 - 1986	1990		% Change 1986 - 1990
	#	%	#	%		#	%	
Caucasian	4,032	80.8	5,621	76.2	- 4.6	7,804	69.6	- 6.6
Hispanic	733	1.47	1,513	20.5	+ 5.8	2,944	26.3	+ 5.8
Afro-American	116	2.3	102	1.4	- 0.9	180	2.6	+ 0.2
American Indian	26	0.5	27	0.4	- 0.1	117	1.0	+ 0.6
Asian	57	1.1	55	0.7	- 0.4	170	1.5	+ 0.8
Other	28	0.6	57	0.8	+ 0.2	0	0.0	- 0.8
Total	4,992	100.0	7,375	100.00	----	11,215	100.00	----

Source: Master Environmental Assessment, La Quinta General Plan 1992, prepared by BRW, Inc.
U.S. Census Bureau, urban Decision Systems, City of La Quinta Special Census.

The Hispanic population demonstrated the strongest growth from 1980 to 1990, increasing its relative share of the total population from 15 to 26 percent, while the Caucasian population fell from 81 to 70 percent and the Afro-American population decreased from 2.3 to 1.6 percent. The Asian group increased slightly from 1.1 to 1.5 percent, as did the American Indian group from 0.5 to 1.0 percent

4.4 Employment

The economy of the Coachella Valley has traditionally been a tourist, resort, second home, and retirement economy which is replacing and displacing agriculture. Agriculture uses are moving toward the eastern end of the Valley to land that is served better by irrigation water.

Although housing is induced by employment, the local economy differs from most parts of the state, in that the employment is created by the construction and staffing of resorts and the second home market. Construction jobs are generally short-term, and thus, are non-permanent employment. Employment follows the development of resort second homes, and housing follows employment. Resort housing increases employment, and employment creates housing demand. Tourist and resort development are the leading indicators to predict employment and housing demand. Although a tourist economy is seasonal, it is stable and does not suffer the drastic effects of recessions and economic cycles as do other regions which are dependent upon manu-

facturing and consumer-related goods. The resorts are more and more becoming year-round; however, there is some seasonal fluctuation in the labor market. This further compounds the problem of economic stability in the lower income sectors of the labor force, and their ability to sustain themselves in the off-season months.

According to the U.S. Census, there were 8,228 persons between the ages of 16 and 64 in the City's labor force in 1990, of which 2,148 or 26 percent, did not work. Table H-5 shows the types of employment by industry held by La Quinta residents in 1990. The majority of jobs held by La Quinta residents were in service industries, followed by retail trade and construction.

Many La Quinta residents work in other communities, and conversely residents from other cities work in La Quinta. The local working force comprised of La Quinta residents who both live and work in the City was estimated at 1,107 (approximately 19 percent of the total resident working force) by the 1990 census. As shown in Table H-6, the largest industry is amusement and recreation services, which accounts for 50.3 percent of the total jobs in the City.

In 1990, 59.2 percent of the La Quinta workforce worked at white collar jobs, while 40.8 percent were in blue collar occupations. Of those in white collar jobs, 15.4 percent were managerial/executive positions, 15.2 percent were in sales, 14.4 percent were in clerical/administrative positions, and 14.2

**TABLE H-5
EMPLOYMENT BY INDUSTRY**

Industry	Employed Persons	% of Employed Persons
Agriculture, Forestry and Fisheries	216	4.0
Mining	7	.1
Construction	691	12.9
Manufacturing	398	7.4
Transportation	71	1.3
Communication/Utilities	198	3.7
Wholesale Trade	173	3.2
Retail Trade	841	15.7
Finance/Real Estate	531	9.9
Services	2105	39.2
Public Administration	137	2.6
Total	5,368	100%

Source: 1990 Census. Summary Tape File 3, Population and Occupation, P77.

**TABLE H-6
MAJOR EMPLOYMENT IN LA QUINTA**

Type of Industry	# of Firms	# of Jobs	Jobs as % of Total
Amusement and Recreation Services	6	773	50.3
Eating and Drinking Places	13	81	5.3
Food Stores	4	175	11.4
General Contractors and Builders	13	149	9.7
Special Trade Contractors	26	115	7.5
Automotive Dealers and Service Stations	1	68	4.4
Other/Non-Classified	18	50	3.2
Real Estate	15	47	3.1
Agricultural Services	8	45	2.9
Heath Services	6	34	2.2
Total		1,537	100.00

Source: Page P-311, Place Profiles, City of La Quinta, 1993 Upclose Publishing, L.P.

percent were professional/technical positions. For blue collar workers, 15.4 percent were in service occupations, 13.1 percent were in production/craft/repair positions, 8.1 percent were operators and laborers, and 4.2 percent were in farming/forestry/fishing jobs.

As part of the 1992 General Plan Update program, telephone and field interviews were conducted to identify major employers in the City (Source: Appendix B, La Quinta General Plan Master Environmental Assessment, page B-7). The interviews estimate that in 1993, 1,425 persons were employed in La Quinta on a full-time basis and 510 persons were employed part-time. The largest employers are the La Quinta Hotel Golf & Tennis Resort with approximately 500 full-time and 400 part-time employees, and PGA West with 300 full-time employees. The next largest group of employers includes Von's, Simon Motors, Landmark Land Co., the City of La Quinta and Dolly Cunards. Together these companies/agencies employ 291 full-time and 40 part-time workers. The remainder of the businesses in La Quinta have between 1 to 20 workers.

Since the General Plan was updated in 1992, a new commercial center has been constructed. The La Quinta Center contains a Walmart, Albertson's Supermarket, Auto Club (AAA) office, and several restaurants, including Red Robin, McDonalds, Taco Bell and Carl's Jr. The largest employer in this center is Walmart with 90 full-time employees and 160 part-time employees.

The City of La Quinta experienced a significant increase in commercial development over the last ten years which has created a number of new jobs. Although the increased commercial activity has brought more job opportunities, many retail or hotel service jobs pay near minimum wage salaries and employ workers part-time.

The Employment Development Department's (EDD) unemployment rate projection for Riverside County was 11.7 percent in February 1994 as compared to 7.5 percent reported in 1990. EDD also reported 70,500 unemployed County residents in February compared to 36,200 during 1990. The 11.7 percent unemployment rate in February 1994 has increased by 4.2 percent from the 7.5 percent unemployment rate reported in 1990, which reflect the current economic conditions.

4.5 General Income Characteristics

The 1993 median household income in La Quinta was slightly lower than the Riverside County median household income of \$41,100. According to the 1990 Census, the 1989 median household income in the City was \$39,572. Household income estimates (1990) by total households and families are found in Table H-7.

Comparison of Census data for family income compared to household income indicate that the median family income exceeds the median household income in the City. The Census data indicates that proportionately a higher percentage

of families fall in the higher income ranges, with 28.8 percent of the families with incomes over \$60,000, as compared to 25.8 percent of the households; and 19.9 percent of the families with incomes in the \$45,000-59,999 range, as compared to 17.7 percent of the households. The converse is evident in the lower income category. Approximately 15.5 percent of the households in La Quinta fall below the \$14,999 income range, whereas 10.8 percent of the families fall within this lower income category.

Although the census classifications for income are not the same as the household income categories used by the State of California for housing affordability analyses, general comparisons can be made.

Four household income categories are used by the State of California for housing affordability analysis: Very Low Income (50 percent of the median income), Low Income (51 percent to 80 percent of the median income), Moderate Income (81 percent to 120 percent of the median income), and Above Moderate Income (more than 120

percent of the median income). This method is consistent with definitions of low- and moderate-income households used in various Federal and State housing programs, e.g., Section 8 and State Density Bonus Law. It is based on an average household size of a family of four.

Table H-8 identifies the actual income limits for the various categories based on the HUD May 1993 median income of \$41,100 for a family of four in Riverside County. At the time of this writing the HUD income limits, published in May 1993 and adjusted by the State HCD, established \$41,100 as the median household income for a family of four within Riverside County. HCD has modified the HUD income limits parameters to account for changes in household size. A 10 percent reduction factor is applied to the median income for a family of four to determine the income limits for families of three or less, increasing the reduction factor as the family size decreases. An eight percent multiplier is applied to the median income for each additional person over four. The incomes are rounded to the nearest \$50.

TABLE H-7
1990 HOUSEHOLD INCOME ESTIMATES

Income Category	Households	% of Total Households	Families	% of Total Families
\$0 - 14,999	620	15.5	332	10.8
\$15,000 - 29,999	698	17.4	557	18.0
\$30,000 - 44,999	943	23.6	696	22.5
\$45,000 - 59,999	707	17.7	614	19.9
\$60,000 +	1,031	25.8	889	28.8
Total	3,999	100.0	3,088	100.0
Median Income	\$39,572		\$43,596	
Average Income	\$56,063		\$57,560	

Source: 1990 Census, Summary Tape File 3.

TABLE H-8
INCOME BY PERSONS PER FAMILY IN RIVERSIDE COUNTY

Standard	1	2	3	4	5	6	7	8
Very Low Income 50% of Median	14,400	16,450	18,500	20,550	22,200	23,850	25,500	27,150
Low Income 80% of Median	23,000	26,300	29,600	32,900	35,500	38,150	40,750	43,400
Median Income	28,750	32,900	37,000	41,100	44,400	47,700	50,950	54,250
Moderate (80% to 120% of Median)	34,500	39,450	44,350	49,300	53,250	57,250	61,160	65,100

**TABLE H-9
INCOME DISTRIBUTION IN LA QUINTA**

Income for Family of Four ¹	% of Total Population ²	Number of Households
Very Low/Less than \$20,550	22.0	881
Low/Less than \$32,900	16.6	663
Moderate/Less than \$49,300 ³	23.4	937
Above Moderate/\$49,300+	38.0	1,518
TOTAL HOUSEHOLDS⁴	100%	3,999

1 Department of Housing and Urban Development (HUD), 1993.

2 Percentages of 1990 Census Household Income based on 1993 HUD income limits.

3 The moderate income category represents incomes at 80 to 120 percent of the County median. See Table H-7 for County median income.

4 1990 Census, Summary Tape File 3, Household, Family & Non-Family Income in 1989.

Table H-9 estimates the distribution of Very Low, Low, Moderate, and Above Moderate incomes in the City of La Quinta based on the 1990 Census number of households, and the HUD 1993 income limits. As shown in Table H-9, the Above Moderate income households constitute the largest grouping, accounting for 38.0 percent of all households. Approximately 38.6 percent of the households in the City are lower income households, with 22.0 percent classified as Very Low, and the remaining 16.6 percent are Low income households. This data indicates that there is a need for housing affordable to the Very Low and Low income households, as well as a strong market for housing that serves the needs of the Moderate income households.

The Census Bureau has determined a poverty threshold, which was applied on a national basis and was not adjusted for regional, state or local variations in the cost of living. The average poverty threshold for a family of four persons was \$12,674 in 1989. The 1990 Census reports that 358 households, which is 8.9 percent of the total households in the City, were below the poverty threshold. Of these, 74 were married couple families, 90 were female head of households and 115 were non-family households. Lower income households may require housing with rents or payments lower than payments associated with market rate housing. Often, payment assistance is needed from local, state or federal government agencies to assist these households in getting adequate housing. Available programs should be utilized by the City of La Quinta to provide residents with affordable housing. These programs

are discussed in later sections of the Housing Element.

5.0 HOUSING PROFILE

This section provides an overview of the housing stock in the City. Analysis of past trends in the housing stock provides a method of projecting the future housing needs of La Quinta.

Prior to the 1970s, a fairly static pattern of development was evident, primarily in the Cove area. Generally, single-family residences were constructed on an individual basis from the 1950's until the La Quinta Country Club area was developed in the 1960s. Development in the early 1970s was very slow, due to an increase in the cost of financing and the gasoline shortage. In late 1975 a building boom developed with a larger number of homes constructed on speculation.

The recession in the early 1980s, from 1980 to 1983 resulted in an oversupply of housing and little construction in the City. After the recession, unprecedented growth has occurred in the City. This growth responded to the pent-up demand for housing, and resulted in residential development of all types.

La Quinta has been considered to be a world-class resort since the establishment of the La Quinta Hotel in 1926, and has been a destination for the rich and famous ever since. The PGA West development has continued to place La Quinta in national and worldwide attention with its

prestigious golf tournaments and its unique and challenging golf courses. There are many projects either under construction or being proposed that will continue the pattern of high quality growth in the City.

5.1 Housing Characteristics

Data from the U. S. Bureau of Census indicates that the housing stock in the City increased by 3,656 units between 1980 and 1990, from 2,864 to 6,520 units. This change represents a 127.7 percent increase. The data summarized in Table H-10 indicates that the growth of the housing inventory in the City is continuing to increase.

There are three basic types of housing units for which data is presented: single-family units, which include both detached and attached units, multiple-family units, which include apartments, duplexes, triplexes, fourplexes, and mobile homes. The predominant type of dwelling unit in the City of La Quinta continues to be the conventional single-family residence. The construction of single-family homes has continued to rise over the years, from 4,129 units in 1988 to 6,055 units in 1990 to 8,795 units in February 1994.

Single Family detached units in La Quinta in 1994 comprise 57.7 percent of the total housing market (5,311 units), attached single-family units constitute 38.2 percent (3,484 units), comprising 95.5 percent of all units in the City.

The rate of development activity in the City has varied over the years, as shown in Table H-12. The numbers in Table H-12 are based upon the number of building permits issued. The annual growth rate for development activity hit a high of 22.4 percent in 1988 and a low of 3.6 percent in 1991. In 1993, 196 single family detached and 12 condominium attached unit building permits were issued. In 1994, development is proceeding in the Rancho La Quinta project, as well as several other housing tracts in the north part of the City.

Examination of trends in building permit valuation, as presented by the State Census Data Center of the Department of Finance, shows that La Quinta has experienced a large amount of residential growth relative to most other cities in the Coachella Valley. But, La Quinta has experienced very little office or retail development, in comparison to other cities, and no industrial development as there are not industrial land uses in the City's General Plan.

**TABLE H-10
TOTAL HOUSING STOCK
1980-1990 DWELLING UNITS**

	1980	1990	% Change 1980-1990
California	9,223,120	10,966,024	18.9
Riverside County	295,847	483,847	63.9
City of La Quinta	2864	6,520	127.7

Source: U.S. Bureau of Census 1980, for County and City
Department of Finance January 1990 estimate for State.

**TABLE H-11
TOTAL DWELLING UNIT (PERMITTED) BY TYPES OF STRUCTURE**

Dwelling type	1988		1990		% Increase 1968-1990	1994 ¹		% Increase 1990-1993
	Units	% of Total	Units	% of Total		Units	% of Total	
Single Family	4,129	92.0	6,055	92.9	45.8	8,795	95.5	46.0
Multi-Family	125	2.8	157	2.4	25.6	173	1.9	10.2
Mobile Homes	232	5.2	240	3.7	64.7	242	2.6	-2.1
Total Dwelling Units	4,486	100.0	6,520²	99.0²		9,081	100.0	

Source: U.S. Bureau of Census, 1990, Summary Tape File 3

1. City of La Quinta, Residential Development Status Report, February 1, 1994.

2. Total dwelling units includes 68 units which are classified as "other", which are not contained in single family, multi-family or mobile home category.

The valuation of residential permits in La Quinta was among the highest in the Coachella Valley from 1983 to 1989. Housing permits totaled \$357,805,000, giving the City a 15 percent portion of the total value of all residential construction in the Coachella Valley. The City's share of the residential growth increased primarily between 1986 and 1989, and represented 18 percent of residential building valuation. Only Palm Desert and Cathedral City issued permits totalling more than La Quinta; \$549,305,000 and \$463,833,000, respectively from 1983 to 1989, and \$326,577,000 and \$309,848,000, respectively from 1986 to 1989. The actual growth of the housing inventory varies from year to year.

In February 1994, according to the 1994 Residential Development Status Report prepared by the City, there were 9,210 total housing units. There is one apartment complex in the City of La Quinta, as well as a number of smaller two, three and four unit complexes which are not identified as apartment "complexes." Multi-family housing units comprised 1.9 percent of the total housing stock in 1994, as compared to 2.4 percent in 1990. In 1990, mobile homes represented 3.7 percent of the total housing stock. With new development between 1990 and 1993 being taken into account, mobile homes represent only 2.6 percent of the total 1994 housing stock. These figures indicate an increase in single family products.

**TABLE H-12
HISTORIC RECORD OF HOUSING DEVELOPMENT**

Calendar Year	# Single-Family Detached	# Apt. Units	# Condo. Units Attached	Mobile Homes	Annual Total	Cumulative Total	Annual Growth Rate
Prior to 1983	2,180	168	1,109	229	N/A	3,686	N/A
1983	20	10	227	1	258	3,944	+7.0%
1984	82	2	202	1	287	4,231	+7.3%
1985	74	0	307	2	383	4,614	+ 9.0%
1986	158	3	237	1	399	5,013	+8.6%
1987	143	0	123	3	269	5,282	+ 5.3%
1988	467	0	712	2	1,181	6,463	+22.4%
1989	587	-6	142	0	723	7,186	+ 11.2%
1990	707	-4	371	2	1,076	8,262	+15.0%
1991	282	0	4	1	287	8,549	+ 3.5%
1992	283	0	32	0	315	8,864	+ 3.7%
1993	312	0	12	0	324	9,188	+ 3.7%
1994(to 2/94)	16	0	6	0	22	9,210	N/A
Cumulative Totals	5,311	173	3,484	242	N/A	9,210	N/A

Source: City of La Quinta Residential Development Status Report, February 1, 1994.

- Notes: 1. Units are counted upon building permit issuance; where completed unit counts are given in summary, they are based on: 3 months backdating for single-family dwelling, 6 months for multi-family/attached condominium. Demolished units are part of the total counts by category.
2. Detached condo units at PGA West, detached condos at Laguna de la Paz, Los Estados, and any zero lot line developments shown as single-family detached.
3. Mobile home set-up permits only; no accounting for move-off activity. Total mobile homes in the City are 228 (Department of Finance count).

**TABLE H-13
SECOND HOME ESTIMATE¹**

City	Total Units	Vacant Available Units	Occupied Units	Unavailable Units (Second Homes)
La Quinta	4,486	329	3,102	1,055
Coachella Valley	111,567	4,584	68,390	38,593

1. Source: Coachella Valley Association of Governments, Regional Housing Needs Analysis, April 3, 1989.

A significant factor affecting the number of available units throughout almost every community in the Coachella Valley is the fact that many housing units are held off the market for use either as short-term vacation rentals or as second homes. The actual number of housing units compared with the number of occupied units would indicate a significantly higher vacancy rate approaching 50 to 60 percent in a number of communities (Palm Springs, Palm Desert, Rancho Mirage and Indian Wells).

Table H-13 estimates the number of these units within La Quinta and the Coachella Valley. The numbers were calculated by subtracting the actual vacant units based upon the 1988 adjusted vacancy rates and the occupied unit from the total units. The remainder are units that are vacant, but unavailable to the normal housing market.

Recent trends indicate that this percentage is dwindling, particularly in older, established neighborhoods. At least two factors are contributing to this trend.

1. As the population ages, families who bought property as a vacation or second home have moved to the Valley as their full-time retirement home; and
2. An increasing number of permanent, full-time residents in the Valley are also competing for these units. These middle and upper middle income families desire the same amenities that second home purchasers want; and therefore, full time residents are purchasing these homes.

Both of these trends are expected to continue, but the significant reserve of available housing units should continue to serve as a damper on housing cost inflation, particularly as it applies to home ownership. Clearly, this "surplus" or pool of second homes is not a significant resource for the Low and Very Low income families most in need of housing.

From 1980 to 1988, the percentage of units considered vacant increased from 9.6 percent to 30.9 percent, demonstrating the growth of the second home market in La Quinta for this period. Of the 1,384 vacant units in 1988, CVAG estimates that 1,055 units are second homes and are not a part of the available housing stock. The "true" vacancy factor is estimated to be 10.6 percent of the 1988 housing stock (329 units vacant). Vacancy rates are discussed in more detail later in this element.

The composition of types of housing remains mostly single-family detached units. There has been active development of resort condominiums. These are largely second homes or seasonal homes and have an indirect effect on the housing inventory in terms of available units for meeting the housing needs of lower income households, particularly when sales prices for such units are considered. They are counted as single-family dwellings as they are individually owned, even though they are attached.

5.2 Household Characteristics

Before current housing problems can be understood and future needs anticipated, housing occupancy characteristics need to be identified in the City. The following is an analysis of household size, household growth, tenure, and vacancy trends. By definition a "household" consists of all the people occupying a dwelling unit, whether or not they are related. A single person living in an apartment is a household, just as a couple with two children living in the same dwelling unit is considered a household.

Households

During the years 1980-1990 the City grew at a rate almost double that of Riverside County, as shown in Table H-14. The total number of households in 1990 was 3,999, which represents an increase of 2,171 households since 1980.

**TABLE H-14
TOTAL HOUSEHOLDS**

	1980	1990	% Increase 1980-1990
California	8,629,866	10,381,206	20.3
Riverside County	242,937	402,067	65.6
City of La Quinta	1,828	3,999	118.8

Source: U.S. Bureau of Census 1980, 1990 for the City, County, State.

Household Size

Table H-15 shows changes in household composition in La Quinta between 1980 and 1990. Historically, during the last few decades, there has been an increase in the household size in the City of La Quinta, as well as generally throughout Riverside County.

Household size is important as the City uses the average household size to plan for most public improvements and services and to project population.

In California the household size increased from 2.68 persons per household to 2.72 persons, and in La Quinta the household size has increased from 2.70 to 2.85. The household size in the City is continuing to increase. In 1994, the Department of Finance estimated the number of persons per household to be 2.98. The increase in household size may reflect La Quinta's increasing attractiveness as a desirable place to live for families with children, in addition to its historic attractiveness as a retirement and resort community.

**TABLE H-15
HOUSEHOLD SIZE**

Households	1980		1990	
City of La Quinta	1,829	%	3,999	%
1 Person	311	27.0	707	17.7
2 Person	723	39.5	1,455	35.6
3-4 Person	597	32.6	1,278	31.9
5+ Person	198	10.8	592	14.8
AVERAGE HOUSEHOLD SIZE	2.7		2.85	

Source: U.S. Bureau of Census 1980 and 1990.

Housing Tenure

The number of owner-occupied housing units in the City has remained relatively stable during the last decade at approximately 70 percent. In 1980, the owner-occupied units accounted for 69.6 percent of units and in 1990, the owner-occupied units accounted for 72 percent of the units. According to the California Statewide Housing Plan Update (1990), provided by the Department of Housing and Community Development, 50.8 percent of all housing units in the State are owner-occupied. The percentage of owner-occupied units in La Quinta is above that of California. As indicated in the

Housing Tenure Table H-16, renter-occupied housing in La Quinta has decreased proportionally, although not numerically, between 1980 and 1990. The slight decrease in the proportion of renter-occupied housing units in La Quinta reflects the housing market in the City, as well as seasonal factors. Most of the new and proposed development is single-family detached or attached housing units, which are primarily ownership units. As discussed above, the percentage for owner- and renter-occupied units experienced little change from 1980 to 1990. It is anticipated that the proportion of owner- to renter occupied units will remain about the same in the future.

**TABLE H-16
HOUSING TENURE**

Tenure	1980	% Vacant	1990	% Vacant	% Change 1980-1990
Owner-Occupied	1,486	not available	2,832	not available	90.6
Renter-Occupied	647	not available	1,099	not available	69.9
Vacant	1,080	37.7	2,495	38.8	131
Total	2,846		6,426		124.4

Source: U.S. Bureau of Census, 1980 & 1990.

Vacancy

The vacancy rate is a measure of the general availability of housing. It also indicates how well the type of units available meet the current housing market demand. A low vacancy rate suggests that households may have difficulty finding housing within their price range; a high vacancy rate may indicate either the existence of a high number of units undesirable for occupancy, or an oversupply of housing units.

From 1980 to 1988, the percentage of units considered vacant increased from 9.64 percent to 30.85 percent, demonstrating the growth of the second home market in La Quinta for this time period. Of the 1,383 vacant units in 1988, CVAG estimated that 1,055 units are second homes and are not a part of the available housing stock. The "true" vacancy factor was estimated to be 7.3 percent of the housing stock (329 units vacant). The composition of types of housing remains mostly single-family detached units. There has been some development of resort condominiums. These are largely second homes or seasonal homes and have an indirect effect on the housing inventory. They are counted as single-family dwellings even though they are attached, because the units are individually owned.

The Bureau of Census reported La Quinta's vacancy rate has increased over the years, from 9.64 percent in 1980 to 10.6 percent in 1988 to 13.2 percent in 1990. The 1990 Census reported a vacancy rate of 38.8 percent, but adjusted the vacancy rate to reflect seasonal vacancies.

It was determined by the Census that the vacancy rate for multi-family units was 3.2 percent, two percent for mobile homes and eight percent for single-family units.

Approximately 2,884 single-family, multi-family and mobile home units were reported vacant in 1993 by the Department of Finance, which translates into a vacancy rate of 35.38 percent. This high vacancy rate reflects that La Quinta is a resort community with a large number of condominiums, townhomes, or attached units. Many of these types of units are second homes or vacation rentals that the Department of Finance has counted as multi-family and vacant units.

The availability of vacant housing units provides households with choices on different unit types to accommodate changing needs (i.e. single persons, newly married couples and elderly households typically need smaller units than households with school age children). A low vacancy rate may serve as a damper to market rents and prices, as it may limit the choices of households in finding adequate housing. It may also be related to overcrowding, as discussed in later sections.

5.3 Age and Condition

Housing Age is a factor for determining the need for rehabilitation. Without proper maintenance, housing units deteriorate over time. Also, older houses may not be built to current housing standards for fire and earthquake safety.

Approximately 50 percent of the housing stock in the City of La Quinta has been built since 1985, and approximately 38 percent of the housing stock was constructed between 1970 and 1984. The remaining 12 percent was constructed prior to 1970. Approximately 1,582 units were constructed, on average, over each decade from 1950 to 1989. (See Table H-17). To date, land availability has not limited growth in the City.

Approximately equal numbers of owners and renters occupy units built between 1989 to March 1990. The high number of vacancies during this period, approximately 58 percent, suggests that many of the units were bought as second or seasonal homes, or were new units not yet sold. The high vacancy rate, approximately 50 percent, for the period 1985 to 1988 would suggest the same. Homes constructed prior to 1989 were primarily owner occupied. Homes built prior to 1985 experienced substantially lower vacancy rates, generally in the range of 20 to 30 percent.

The oldest homes in the City are found in the Cove. Outside of the Cove area, the homes are newer, although many new homes continue to be constructed in the Cove. Many new units in other areas are custom homes in gated communities. Of the older single-family homes, many are well maintained and are mostly occupied by long-term residents. There is a small proportion of older homes that have not been maintained. These homes have a tendency to be very small, with some less than 1,000 square feet. As land values increase, it will become economically viable to replace or rehabilitate some of these structures. These homes are dispersed throughout the Cove area.

5.4 Housing Stock Conditions

Housing is considered substandard when conditions are found to be below the minimum standards of living defined by Section 1001 of the Uniform Housing Code. Households living in substandard conditions are considered as being in need of housing assistance even if they are not seeking alternative housing arrangements. The majority of the substandard units and the units needing replacement are located in the Cove area and in the vicinity of the Village, as well as south of the City Hall.

Many of the housing units in the Cove area are more than 30 years old. This fact is important because 30 years serves as a standard for the initial life of a house. After 30 years, most housing units require major rehabilitation, a new roof, or new plumbing.

A survey of the housing stock was conducted in late March and early April 1994. This survey included observations of exterior facades of housing units and yards. Because the majority of lots were 50 x 100, and the rear of the lots could not be surveyed in most circumstances, it was assumed that the front of the units was representative of the condition of the rear of the structure. The survey showed that many of the units in the City are in need of repair.

A windshield survey of the City of La Quinta housing conditions was conducted in April 1994. The survey area consisted of the following neighborhoods: the Cove; the residential neighborhood south of Calle Tampico between Avenida Bermudas and Washington Street, behind

**TABLE H-17
AGE OF HOUSING STOCK**

Year Built	Total	% Vacant
1985 to 1990	3,230	52.6
1980 to 1984	823	22.6
1970 to 1979	1,638	21.2
1960 to 1969	416	33.6
1950 to 1959	221	26.7
1940 to 1949	95	33.7
Before 1940	97	48.4
TOTAL STOCK	6,520	

Source: 1990 Census, Summary Tape File 3

the City Hall Center; the residential area bounded by Washington Street on the west, and Avenue 52 to the south; the Highway 111 Trailer Park; the Vista Dunes Trailer Park; the Dune Palms Trailer Park; the Singing Palms residential subdivision; and scattered locations throughout the City where older homes are found.

The majority of units surveyed were found to be in good condition, with little or no observation of deferred maintenance or need for repairs. These units were not identified individually in the survey results. However, due to the nature of the survey being conducted during the daytime weekend hours, subject to factors such as traffic, road conditions and temporary road closures in the Cove, light and glare, and human interest/protectiveness of property, a percentage of survey error is anticipated. It is estimated that an additional 5 percent of the units in the Cove, (approximately 150 units), may exhibit characteristics of deferred maintenance. There were approximately 524 units in the City which exhibited conditions reflecting the need for maintenance activities or structural repair, constituting 6 percent of the total housing stock in the City. Of these 524 units, 34 percent are mobile homes.

The survey results were classified according to four general categories of housing condition. Within each category, there may be one or more conditions exhibited by a single unit, or number of units. Therefore, although the following general conclusions are reported by the number of units by

individual characteristic, the majority of units do not exhibit only one condition, and therefore the totals are not to be cumulatively added, as the same unit may be double or triple counted. The definitions of each category, and survey findings are discussed as follows:

Deferred Maintenance

Almost half of the units identified in the survey, 235 units, are classified as Deferred Maintenance. The buildings under this classification do not display major structural deficiencies, but include characteristics which do require attention. Some painting or minor repairs to the fascia, trim, windows, garage and front doors may be needed. The condition termed "roof patch" refers to cases where, although the structural integrity of the roof may be sound, the surface material or rock/pebble protective covering may need attention or replacement. Most frequently cited are cases where the aggregate/pebbles have been stripped or worn off, and the black asphalt/tarred sheetrock underlayment is exposed. Units which display warped garage doors which do not close all the way, peeling paint on wood siding, and unpainted or major discoloration of patches of stucco are also be included in this classification.

Units within this category may reflect deferred maintenance of the yard and outside components of the home, including the need for fence repair or paint; or the complete lack of landscaping, where the yard consists of dirt, weeds, dead plants, rusting metal of unknown sources, and similar

CONDITION	NUMBER OF UNITS
Structure/Concrete Foundation	174 (includes 154 mobile homes)
Roof Patch	292 (includes 154 mobile homes)
Roof Repair	27
Replace Roof	1
Paint	248 (includes 154 mobile homes)
Siding Patch/Paint	186 (includes 176 mobile homes)
Stucco Repair/Point	36
Major Stucco Repair	19
Window Repair	164 (includes 154 mobile homes)
Window Replace	10
Door Paint	9
Door Replace	2
Garage Door Paint	37
Garage Door Replace	22
Minor Maintenance/Yard	20
Deferred Maintenance/Fence	88
Major Deferred Maintenance/Yard	187 (includes 176 mobile homes)

conditions (not to be interpreted in the case of a new home where landscaping has not yet been undertaken); or portions of the yard, exterior structures such as shade overhangs or porticos, and fences are neglected. Other circumstances which contribute toward the deferred maintenance ranking include the use of the front and side yards for unstructured, unorganized and unshielded storage of vehicles, old tools, old machinery, broken doors, windows and furniture, and other types of trash, etc., and the storage of campers or camper shells in the front yard rather than the driveway. In some cases these camper units appear to be occupied. There were a few units which had unshielded propane tanks in the front yard.

These items do not, for the most part, compromise the structural integrity of the housing unit. However, these conditions may lead to more serious physical deterioration, and contribute to an overall atmosphere of neighborhood neglect and disrepair ("blight"). In some cases, units which are which exhibit a large number of physical conditions concurrently, (such as window repair, stucco patch and replacement of garage doors), but which don't exhibit yard maintenance deferral, are technically not distinguishable from those units in the Minor Rehabilitation category which exhibit the same characteristics, as well as deferred yard maintenance. If a unit in the Deferred Maintenance category reveals the existence of two or more physical conditions, it is worth considering for minor rehabilitation, as other characteristics which were not specifically ranked may also be warranted.

Minor Rehabilitation

There were 102 units (22 of which are mobile homes) which were classified as needing Minor Rehabilitation. This reflects the presence of two to three or more deferred maintenance items, (depending on type and ranking) or one major deficiency, or a combination of several characteristics. A major deficiency consists of the need for repair to a structural element such as a roof, foundation, exterior wall, stucco repair, window replacement, or exterior structures of which the condition materially endangers the health, safety or well being of its residents. The most prevalent combinations of conditions constituting need for minor rehabilitation include roof patch, replacement of the garage door, window repair or replacement, and stucco repair, combined with deferred yard/fence maintenance as described above. A unit exhibiting characteristics which

warrant a minor rehabilitation classification may not necessarily reflect the existence of a major deficiency. The majority of units in the Minor Rehabilitation category reflect the presence of numerous deferred maintenance conditions which have begun to contribute to physical deterioration of the unit, yet do not materially endanger the occupation of the unit and which are economically feasible to correct.

Moderate Rehabilitation

The majority of units failing within the Moderate Rehabilitation category are mobile homes within the Vista Dunes and Dune Palm mobile home parks. Of the 184 units classified as in need of moderate rehabilitation, 154 are mobile homes. Those units which rank in the upper ranges of this classification may be found more closely associated with the conditions described in the Moderate to Substantial Rehabilitation category (discussed in the following paragraph). However, the majority of units in the Moderate Rehabilitation category represent units which, in their present state, materially endanger the health, safety, or well-being of its occupancy in one or more respects, but which may be economically feasible to repair. In the case of particular mobile homes which exhibit characteristics which numerically rank in the higher ranges of this category, repair may not be a feasible option when the initial lower costs of the mobile home are compared to the cost of repairs.

The structures in this category are clearly in a deficient state based upon the survey observations. For the most part, four to five deferred maintenance deficiencies, more than one major deficiency, or a primary structural element needing major repair was observed for units within the Moderate Rehabilitation category. In terms of need for structural repairs observed, the most prevalent characteristics noted in single family units of this category included major roof repair, window replacement, structural foundation damage or concrete damage. These are compounded by deferred maintenance items such as paint to trim/garage doors, deferral of upkeep of yard/grounds and fence condition, and need for roof patching. Among the mobile homes, the most prevalent characteristics included structural/foundation problems, aluminum sidings and trim/doors requiring paint and patching, window repair, major maintenance deferment of yard, storage area structures, and roofs/awnings.

Substantial Rehabilitation

The 3 housing units which fall into this category represent units which, in their present state, materially endanger the health, safety and/or well being of occupants in one or more respects, and which are not economically feasible to repair. These units exhibit characteristics including need for complete replacement of the roof structure, major stucco and wall reconstruction, replacement and painting, partial reconstruction of the foundation, and deferral of maintenance of the yard/grounds and fences.

In addition to structural deficiency the lack of certain infrastructure and utilities often serves as an indicator of substandard conditions. According to the 1990 Census, there were 20 single-family units that lacked complete plumbing facilities. There were 20 units in the City that lacked complete kitchen facilities. Additionally, there were 11 units that have no source of heating, and 67 units that rely on wood or an alternative fuel as the heating source. Two hundred thirty-one (231) units draw their water sources from private wells, and 7 rely on other water sources, which may include bottled water (1990 Census, Summary Tape File 3, H23: Source of Water, Page 25).

5.5 Rooms Per Unit

As previously stated, the housing stock in the City experienced tremendous growth during the late 1980s. Table H-18 shows the number of bedrooms per unit, ranging from no bedrooms to five plus bedrooms, for 1980 and Housing Conditions Survey Matrix 1990. In percentages, the single largest increase was in three bedroom units, which increased 356 percent from 1980 to 1990. The second largest growth has been for the "smaller" one and two bedroom units, which increased 153 and 178 percent, respectively. The third largest growth category was for four bedroom units, which increased 280 percent between 1980 and 1990.

Table H-18 also highlights the number of bedrooms per unit, in relationship to the total number of units for both 1980 and 1990. In 1990, three bedroom units comprise 60 percent of the total, which represents an increase of 12 percent from 48 percent in 1980. Two bedroom units account for 25.8 percent of the total in 1990, down from 34.0 percent in 1980. Both studio and one bedroom units experienced a decrease in the percentage of total units. Studios accounted for 0.9 percent in 1990, down from 1.6 percent in 1980. One bedroom units comprise 5.3 percent of the 1990 total, down from 7.7 percent in 1980. In addition, five plus bedroom units declined from 1.6 percent in 1980 to 0.6 percent in 1990. Four bedroom units remained relatively stable, representing 7.5 of the total in 1990 and 7.2 percent in 1980.

Table H-18 also provides a total number of dwelling units in both 1980 and 1990. As shown in the table, the number of units increased significantly from 1,784 in 1980 to 6,520 in 1990. The high unit increase corresponds to increases in the number of bedrooms per unit in all categories listed in Table H-18. The studio (0 bedrooms per unit) category experienced a numerical increase of 97 percent from 1980 to 1990, the one bedroom per unit category increased 153 percent, two bedrooms per unit category increased 178 percent, the three bedrooms per unit category increased 356 percent, the four bedrooms per unit category increased 280 percent, and five plus bedrooms per unit increased by 33 percent.

The increase in three and four bedroom units corresponds to the slight increase in the percentage of larger households, which includes three to four person households and five and greater person households.

The 1990 Census also identified the number of rooms in a dwelling unit as shown in Table H-19, 85.4 percent of the total units have five or more rooms. This reflects a response to the increase in larger size households, as previously stated.

**TABLE H-18
BEDROOMS PER UNIT**

Rooms Per Unit	1980	% of Total	1990	% of Total	% Change ¹
Studio (0 Bedroom)	29	1.6	57	0.9	97%
1	137	7.7	347	5.3	153%
2	606	34	1682	25.8	178%
3	857	48	3911	60	356%
4	128	7.2	487	7.5	28%
5+	27	1.5	36	0.6	33%
Total	1,784	100.0	6,520	100.0	

1. This category represents percent change in numerical terms.
Source: 1990 Census.

**TABLE H-19
NUMBER OF ROOMS IN DWELLING UNIT**

# of Rooms	Total	% of Total
1	43	0.6
2	73	1.1
3	363	5.6
4	479	7.3
5	1,956	30.0
6	2,504	38.4
7	768	11.8
8	128	2.0
9+	206	3.2
Total	6,520	100.0

Source: 1990 Census.

5.6 Housing Costs and Rents

This section discusses resale pricing for existing housing, the pricing for new single-family housing, as well as the average rental prices in the City. The information presented was obtained by contact with local realtors in April 1994, and the 1990 Census.

5.7 Housing Values

Table H-20 lists the value of existing housing units in the City, showing 38.2 percent of the houses valued at less than \$100,000; 26.6 percent were valued at \$100,000 to \$149,999; 11.7 percent were valued at \$150,000 to \$199,999; and the remaining 23.8 percent were valued at \$200,000 and up. The Census also reports the average value of existing

housing units in the City of La Quinta to be valued at \$117,400.

Resale Homes

The average price for a resale home in the City varies, depending upon the type of unit and the location of the unit. Tables H-21 and H-22 list resale home prices in La Quinta. As shown in Table H-22, single-family homes, approximately 1,500 to 1,600 square feet, and built between 1930 and 1988 have an average sales price of \$89,500. The homes in this category are primarily located in the Cove. Single-family homes built in the Cove area between 1989 and 1994 have an average sales price of

**TABLE H-20
HOUSING VALUES 1990**

Price Range	# of Units	% of Total
\$45,000 - 59,999	35	1.4
\$60,000 - 74,999	191	7.6
\$75,000 - 99,999	739	29.2
\$100,000 - 124,999	499	19.7
\$125,000 - 149,999	175	6.9
\$150,000 - 174,999	162	6.4
\$175,000 - 199,999	134	5.3
\$200,000 - 249,999	177	7.0
\$300,000 - 299,999	113	4.5
\$300,000 - 399,999	110	4.3
\$400,000 - 500,000	72	2.8
\$500,000+	122	4.8
Total		100.0

Source: 1990 Census

**TABLE H-21
RESALE PRICES**

Type of Dwelling Unit	Year Built	Square Feet	Price Range	Average Sales Price
Single-Family (Cove)	1930 - 1988	1,500 - 1,600	\$78,000 - 97,000	\$89,500
Single-Family (Cove)	1989 - 1994	1,500 - 1,600	\$117,000 - 159,000	\$124,608
Single-Family	1930 - 1994	2,200 - 2,500	\$150,000 - 370,000	\$231,275
Condominiums	N/A	1,300 - 1,700	\$84,000 - 900,000	\$260,530

Source: La Quinta Properties Real Estate Co. - printout from Multiple Listing Service

**TABLE H-22
RESALE CONDOMINIUM PRICES**

Price Range	# of Units	% of Total
\$50,000 - 99,999	10	5.6
\$100,000 - 149,999	20	11.2
\$150,000 - 199,999	36	20.1
\$200,000+	113	63.1
Total	179	100.00

Source: La Quinta Properties Real Estate Co. - Printout from Multiple Listing Service

\$124,608 for 1,500 to 1,600 square feet, and \$195,990 for 2,200 to 2,500 square feet. According to the Multiple Listing Service, condominiums have the greatest price range, from \$84,000 in the La Quinta Palms development to \$900,000, with an average sales price of \$260,530. Except for the 1,500 to 1,600 square foot homes listed which are primarily located in the Cove, all other resale homes are distributed throughout the City.

New Homes

The 1990 Census lists the average asking price of a typical new home at \$217,215. The actual sales prices for new homes reflect a very wide range, ranging from a low of \$129,990 to a high of

\$628,000, as shown on Table H-23. The prices listed in Table H-23 are for both detached and attached single-family homes. It is evident that the resort communities in the City of La Quinta are commanding higher sales prices for new units, as compared to units located elsewhere in the City. An example of a resort community project is Fairway Homes by J.M. Peters, located in The Citrus community. The Fairway Homes-Cozumel products have a sales price range of \$410,000 to \$460,000. In comparison, the Parc La Quinta project is not located within a resort community and has a sales price range of \$159,900 to \$190,900.

**TABLE H-23
NEW HOUSING PRICES**

Development	Base Price Range	Square Foot Range	Planned Community	Total Units in Development	Total Sold 12/93
ATTACHED PRODUCTS					
Laguna de la Paz - Duplex	\$129,900 - 149,900	1,562 - 2,001	Laguna de la Paz	136	93
Palm Royal Country Club	N/A	N/A	Palm Royal Country Club	353	291
Fairway Homes by J.M. Peters - Cayman	\$305,000 - 340,000	2,439 - 2,747	The Citrus	188	14
DETACHED PRODUCTS					
La Quinta Del Rey	\$129,990 \$143,990	1,606 - 2,010	Del Rey at La Quinta Del Norte	99	93
Laguna de la Paz	\$139,900 - 159,900	1,852 - 1,980	Laguna de la Paz	259	168
Desert Fairways in La Quinta	\$251,900 - 339,000	2,206 - 2,811	Duna La Quinta	254	35
Avante at Lake La Quinta	\$239,000 - 288,000	2,005 - 2,565	Lake La Quinta	77	6
Parc La Quinta	\$159,900 - 190,900	1,804 - 2,222	Not Applicable	150	135
Acacia Homes	N/A	N/A	Not Applicable	120	97
Topaz at La Quinta	\$189,990 - 235,990	1,690 - 2,581	Not Applicable	190	39
Marquessa on Lake La Quinta	\$435,000 - 475,000	2,925 - 3,296	Lake La Quinta	15	7
Fairway homes by J.M. Peters - Cozumel	\$410,000 - 460,000	3,069 - 3,710	The Citrus	300	10

Source: Eastern Riverside County Competitive Audit, December 1993, prepared by Residential New Home Trends.
N/A: Information was unavailable at time publication was printed.

Unlike other areas in California, housing prices in the La Quinta area experienced incremental increases throughout 1990 to 1992. Housing prices have recently stabilized, yet there is no trend of a decline in new and existing housing prices as currently being experienced elsewhere in the State.

Rental Units

The 1990 Census reports the median contract rent of all rental units in the City at \$640 per month. Table H-24 lists the rental ranges per the 1990 Census and the number of units that rented for that particular price range. As shown on Table H-24, over 52 percent of the unit's monthly rents are between \$550 and \$749.

Only one typical apartment complex, the La Quinta Palms Apartments, is located in the City. The

apartment complex has 35 units: 25 two bedroom/two bath and 10 three bedroom/two bath. The two bedroom apartments rent for \$525 per month, and three bedroom units rent for \$575 per month.

Other types of rental units include duplexes, triplexes, mobile homes, condominiums and single-family homes. For these type of units, the monthly rents vary, as shown in Table H-25. Cove area rentals range from \$485 per month for a two bedroom/one bath, to \$600 for a two bedroom/two bath to \$770 for a three bedroom/two bath. Rentals in the Village area are approximately \$450 per month for a two bedroom/one bath unit. For all other areas of the City, rents are approximately \$1,000 per month for a two bedroom/two bath to \$1,250 per month for a three bedroom/two bath unit.

TABLE H-24
1990 RENTS BY NUMBER OF BEDROOMS

Range	Studio	1 Bedroom	2 Bedroom	3 Bedroom	Total
\$0 - 499	10	26	44	22	102
\$500 - 749	14	40	137	204	395
\$750 - 999	0	23	91	429	543
\$1,000+	0	0	10	69	79
Total	24	89	282	724	1,119
Source: 1990 Census					

TABLE H-25
RENTAL COSTS

Type	Monthly Rent Range	Average Monthly Rent
LA QUINTA PALMS APARTMENTS		
2 Bedroom / 2 Bath		\$525
3 Bedroom / 2 Bath		\$575
COVE AREA RENTALS		
2 Bedroom / 1 Bath	\$475 - 500	\$485
2 Bedroom / 2 Bath	\$550 - 660	\$600
3 Bedroom / 2 Bath	\$650 - 950	\$770
4 Bedroom / 2 Bath	\$700 - 850	\$775
VILLAGE AREA RENTALS		
2 Bedroom / 1 Bath	\$450	\$450
OTHER SECTIONS OF CITY		
2 Bedroom / 2 Bath	\$1,000	\$1,000
3 Bedroom / 2 Bath	\$1,100 - 1,350	\$1,250
Source: Telephone conversations with Jim Cathcart, La Quinta Palms Realty; Rupert Yessayan, La Quinta Properties, Marge, Tampico Realty; and Village at La Quinta Realty.		

6.0 HOUSING NEEDS

The following analysis of current City housing conditions presents housing needs and concerns relative to various segments of the population.

Several factors will influence the degree of demand, or "need," for new housing in La Quinta in coming years. The four major "needs" categories considered in this element include:

- Housing needs resulting from population growth, both in the City and the surrounding region;
- Housing needs resulting from the overcrowding of units;
- Housing needs that result when households are paying more than they can afford for housing; and
- Housing needs of "special needs groups" such as elderly, large families, female-headed households, households with a disabled person, and the homeless.

6.1 Housing Affordability

State housing policy recognizes that cooperative participation of the private and public sectors is necessary to expand housing opportunities to all economic segments of the community. A primary State goal is the provision of decent housing and suitable living environment for Californians of all economic levels. Historically, the private sector generally responds to the majority of the community's housing needs through the production of market-rate housing. However, the percentage of the population on a statewide basis who can afford market rate housing is declining. "Affordable housing costs with respect to very low, low and moderate income households shall not exceed 30 percent of gross household income." (Health and Safety Code, Section 50052.9).

As discussed in the Constraints Section of this Housing Element Update, there are many components involved in housing costs. Some of these factors can be controlled at the local level, others cannot. Some of the effects which result from increased housing costs include the following:

- Declining Rate of Homeownership: Buying a new home has become an unattainable goal for

many families, particularly first-time home buyers. Fewer people can afford to purchase homes as a result of the current economy and market trends. Households with moderate incomes that traditionally were able to purchase homes may now compete with less advantaged households for lower cost or rental housing. This phenomenon can be expected to result in lower vacancy rates for rental units and the potential for higher rents, as the supply of available rental units diminishes.

- Overpayment: Overpayment refers to renters and homeowners who must pay more than 30 percent of their gross incomes for shelter. A high cost of housing eventually causes fixed-income, elderly, and lower income families to use a disproportionate percentage of their income for housing. This may cause a series of related financial problems which may result in a deterioration of housing stock, because costs associated with maintenance must be sacrificed for more immediate expenses (e.g. food, clothing, medical care, and utilities), or inappropriate housing sizes and types to suit the needs of the household.

- Overcrowding: In response to higher housing prices, lower income households must often be satisfied with smaller, less adequate housing for available money. This may result in overcrowding. Overcrowding places a strain on physical facilities, does not provide a satisfying environment, and eventually causes conditions which contribute both to deterioration of the housing stock and neighborhoods in general.

In determining existing need for affordable housing it is necessary to relate income with housing costs and rent prices. Affordability is defined by HUD as the expenditure of no more than 30 percent of the household income for housing costs using a hypothetical family of four persons. Table H-26 lists the percentage of renters and homeowners according to monthly costs for housing, including average monthly costs for housing exceeding 30 percent or more of their monthly gross income.

The majority of households in La Quinta pay less than 30 percent on housing costs. Of the total 1,443 households in the City overpaying for housing, 60.6 percent are owner occupants and 39.4 percent are renters. However, a distinction between renter and owner housing overpayment is important because, while homeowners may

TABLE H-26
HOUSING COSTS, RENT AS PERCENTAGE OF GROSS INCOME

Income	0-19%		20-29%		30% or more		Total ²	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
OWNER HOUSEHOLDS								
Less than \$10,000	0	0	16	.6	75	2.9	91	3.7
\$10,000 - \$19,999	45	1.8	25	1.0	180	7.1	250	10.1
\$20,000 - \$34,999	61	2.4	145	5.7	284	11.2	490	19.7
\$35,000 - \$49,999	59	2.3	232	5.2	207	8.2	498	20.0
\$50,000 or more	651	25.7	376	14.9	128	5.1	1155	46.5
Total¹	816	32.9	794	32.0	874	35.2	2,484	100.0
RENTER HOUSEHOLDS								
Less than \$10,000	0	0	0	0	76	6.8	76	6.8
\$10,000 - \$19,999	0	0	22	2.0	237	21.2	259	23.2
\$20,000 - \$34,999	20	1.8	73	6.5	242	21.6	335	29.3
\$35,000 - \$49,999	47	4.2	178	15.9	14	1.3	239	21.4
\$50,000 or more	140	12.5	70	6.3	0	0	210	18.8
Total	207	18.5	343	30.7	569	50.8	1119	100.0

Source: 1990 Census

1. 45 households are not computed in the less than \$10,000 category.

2. Represents occupied housing units only.

overextend themselves financially to afford the option of a home purchase, the owner maintains the option of selling the home and may realize tax benefits or appreciation in value. Renters, on the other hand, are limited to the rental market, and are generally required to pay the rent established by that market. The discrepancy between renter and owner households is largely reflective of the tendency for year-round renter households to have lower incomes than owner households.

Numerically it appears that ownership households are more impacted than renter households. Proportionately however, approximately 35.2 percent of owner-households and 50.8 percent of renter households pay more than 30 percent on housing. Renters within the \$10,000 to \$35,000 income range, which roughly corresponds to the Very Low and Low income categories, comprise 59.3 percent of all rental households. Almost 83 percent of all overpaying renter households fall within the lower income categories, accounting for 49.6 percent of all renters in the City. This reflects the need for affordable rental housing in the City, particularly for Very Low and Low income households.

The Very Low and Low income groups, constituting 33.5 percent of all homeowners in the City, appear to be the most highly impacted homeowner income group in terms of overpayment. Almost 65 percent of the owner households in the lower income categories overpay for housing, constituting 21.2 percent of all owner households in the City. Further, almost 75 percent of all homeowners in the Very Low income category pay over 30 percent of gross monthly income for mortgages and 58 percent of all homeowners in the Low income category overpay for housing. This reflects the need for homes for purchase in the city affordable to Low and Very Low income households. Overpayment among the Moderate and High income categories is not as much a concern. Some owner households choose to allocate a higher percentage of their disposable monthly income on housing costs because this allocation is justified in light of investment qualities of ownership.

Table H-27 identifies the affordable rents and purchase prices by income category (established by HUD 1993 income limits) for a family of four, and a single-person household based on 30 percent of income expended. In the case of rent, the 30 percent does not include allowance for utilities which may impose additional costs to the renter of between \$50 and \$100 per month, depending on

TABLE H-27
AFFORDABLE RENT AND PURCHASE PRICE BY ANNUAL INCOME

Type	Annual Income (1993) ¹	Maximum Affordable Rent Payment ²	Maximum Affordable Purchase Price ²
FAMILY OF FOUR INCOME			
Very Low	0 - \$20,550	\$514	Up to \$64,250
Low	\$20,551 - 32,900	\$822	Up to \$102,750
Moderate	\$32,901 - 49,300	\$1,232	Up to \$154,000
Above Moderate	\$49,301+	Above \$1,232+	\$154,000 and above
Median	\$41,100	\$1,028	\$128,438
INDIVIDUAL - SINGLE-PERSON FAMILY			
Very Low	0 - \$14,400	\$360	\$45,000
Low	\$14,401 - 23,000	\$575	\$71,875
Moderate	\$23,001 - 34,500	\$863	\$107,875
Above Moderate	\$34,501+	Above \$863	\$107,876 and above
Median	\$28,750	\$719	\$89,875

1. Income limits established by HUD, May 1993.

2. Based on 30 percent of income.

which utilities the renter is responsible for paying. Only three percent of all rental units in the City include utilities in the rent. Renters may be required to cover water, sewer and trash pickup costs in addition to the usual electric, gas and phone. The addition of these costs may cause rental of a unit which would otherwise be affordable to become a condition of overpayment. In the case of purchase, the 30 percent includes payment on principal and interest, taxes and homeowner insurance. An 8 percent interest rate is assumed, reflecting 1994 market conditions.

As a measure of affordability in La Quinta, the above available expenditures should be compared with rental and purchase prices in the City.

6.2 Affordability of Rental Costs

A summary of the rent structures in the City, derived from Census information and April 1994 telephone surveys, as previously discussed in detail reflects the following information for year-round rentals:

- According to the Census, only 9.1 percent of all units in the City rented for less than \$500 per month. This included 10 studio, 26 one bedroom units, 44 two bedroom units, and 22 three bedroom units.

- In the Village area, in the environs of Calle Tampico, a two bedroom, one bath unit typically rents for \$450 to \$500 per month, based on 1994 multiple listings.
- A two bedroom, two bath unit in the Village or Cove areas typically rents from \$550 to \$650.
- An average three bedroom, two bath single family rental unit in the Cove, as of April 1994, is \$750.00. Older units may range from \$650 to \$750, and newer units of the same size with a pool typically rent for \$800 to \$950 a month.
- In areas to the north of the Cove and the Village area, rents range from \$1,000 and above for two and three bedroom units.

It is evident that rental units affordable to Very Low income households of four are generally limited to studio and one bedroom units, and two bedroom units in the Village and Cove area. However, a two bedroom unit is the minimum unit size which can accommodate a four person household consisting of two adults and two children. For four person households consisting of alternate configurations, particularly in the case of more than two adults, an overcrowded situation may result with a two bedroom unit. The rents for all but a very small percentage of units exceeds the capacity of Very Low income individuals.

A greater range of units in the Village and Cove areas are available to meet the needs of renters in the Low income category. The average three bedroom rental house in the Cove, at \$750, is affordable to the mid to upper ranges of a Low income household. The average rent for two bedroom units, as well as limited three bedroom units are affordable to the lower and mid ranges.

This information indicates that the majority of the households that are in the Very Low income category must pay more than 30 percent of their income for housing costs for any rental unit with over one bedroom. There are more rental options in the City which meet the needs of Low income households, which comprise approximately 16.6 percent of total households. However, a percentage of Low income households, particularly large families, must pay over 30 percent of their household incomes for housing. This is attributed to the fact that, although rental housing affordable to Low income households is available in the Cove, the number of such units is limited. The Census indicates that over 68 percent of all three bedroom units in the City rent for over \$750 a month.

Other sources for estimating overpaying rental households are the waiting lists for Section 8 Housing programs. Due to demand for Section 8 units, only Federal preference applicants are placed on the waiting list. One of the criterion for Federal preference is if the applicant household is paying more than 50 percent of monthly income for rent plus utilities. According to the Housing Authority of the County of Riverside, 89 units in the City have been leased and occupied by Section 8 tenants. The majority of units leased, 71.6 percent, are three bedrooms, followed by four bedroom units at 17.3 percent in the profile.

6.3 Affordability of Housing Ownership

A summary of home prices in the City, derived from census information, real estate sales as of April 1994, and the Residential New Home trends publication reflects the following information, as presented in detail in Section IV:

- According to the Census, a variety of housing types at a range of prices are offered in the City, from \$45,000 to prices well exceeding \$500,000. Only 1.4 percent of the stock is priced below \$60,000.
- According to the Census, 7.6 percent of the 1990 housing stock was valued at \$60,000-

\$75,000, 29.2 percent of the units were valued between \$75,000 and \$100,000; 19.7 percent of the units were valued between \$100,000 and \$125,000; and 6.9 percent were valued at the \$125,000 - \$150,000. range.

- According to April 1994 resales in the City, the average resale price of a 1,500 to 1,600 square foot single family detached home in the Cove, built prior to 1988, is \$89,500. The same size home, built within the past five years, located throughout the City as well as in the Cove, sells for an average cost of \$124,608.
- According to April 1994 resales in the City, the average resale price for a 2,200 to 2,500 square foot home ranges from \$150,000 to over \$370,000, with an average resale price of \$231,275.
- The average resale price for a condo is \$260,530. 20 percent of the units were priced under \$153,000.
- New home prices range from a low of \$129,990 for a 1,600 square foot home to over \$400,000 for 3,000 square foot units. The average price for a 2,000 square foot home, not in a planned golf course facility, is typically below \$200,000. Homes within planned golf course communities typically average \$250,000 and above.

Based on this information, it appears that over 60 percent of the stock of existing single family units in the City are affordable on an ownership basis to Moderate income households and the mid-to-upper ranges of households in the Low income category. These units appear to be located primarily in the Cove and to the east of the Cove south of the City Hall.

Table H-28 shows the impact of a 7 percent mortgage interest rate on monthly housing costs based on the average housing cost for new and resale units and the average 1993 interest rates. For example, on a median priced resale home at \$124,608, a 90 percent mortgage at a 7 percent interest rate would result in monthly payments of approximately \$946/month, inclusive of property tax and insurance. The median household earnings of \$41,100 established by HUD means that a four person household can "theoretically" afford a monthly housing payment of \$1,028. This will accommodate the monthly payment of an average

**TABLE H-28
MONTHLY MORTGAGE PAYMENTS FOR RESALE AND NEW HOMES**

Interest Rate	7%	7%	7%	7%	7%
Purchase Price	\$89,500	\$124,608	\$153,000	\$231,275	\$260,530
Down Payment	10%	10%	10%	10%	10%
Loan Amount	\$80,550	\$112,140	\$137,700	\$208,150	\$234,477
Monthly Principal and Interest	\$536	\$746	\$916	\$1,385	\$1,559
Estimated Monthly Property Tax & Insurance ¹	\$145	\$200	\$247	\$375	\$423
Total Housing Expense	\$681	\$946	\$1,163	\$1,760	\$1,982
Required Monthly Income	\$2,220	\$3,160	\$3,875	\$5,879	\$6,596
Required Yearly Income	\$26,640	\$37,920	\$46,500	\$70,550	\$79,150

¹ Tax Base Source: Phone discussion, Tax Collector, April 13, 1994. Establishes 1.24 percent as tax base. Actual taxes, per district, may include assessment district fees up to a 1.45 percent tax rate per year. This may add up to additional costs per year.

Insurance Source: Community Development Impact Study prepared for CVAG, September 10, 1991

Note: Utilities not included in monthly costs.

1,600 square foot detached resale home in the City. The majority of newer homes in this size range would not be affordable to households in the Low and Very Low income categories. However, the stock of older homes of comparable size in the Cove, at an average monthly payment of \$681, would be affordable to the majority of households in the Low income category. The Census cites only 17 units, less than 1 percent of the resale housing stock, available at prices with monthly payments less than \$514 per month. It is clear that Very Low income households will have difficulty finding housing affordable for purchase in the existing housing stock.

The average new home, typically priced above \$153,000, according to the first quarter 1994 New Home Trends publication, puts new single family homes further out of reach for all but the mid-to-upper ranges of Moderate income households and Above Moderate income households, with the payments typically exceeding \$1,163 per month. At higher interest rates, the segment of the Moderate income group which can afford a new home in the City is even further reduced. The affordability of condominium products to households with income below the Moderate income category is extremely limited, with only 20 percent of the stock affordable to Moderate income households and 9 percent of all condo units offered at prices affordable to Low income households (the 20% of stock previously mentioned includes these units). There are no condominiums affordable to Very Low income households. There is a clear need for ownership units affordable to Very Low and Low income households.

6.4 Overcrowding

The Bureau of Census defines overcrowded housing units as "those in excess of one person per room average". Overcrowding is often reflective of one of three conditions: 1) either a family or household is living in too small a dwelling; 2) a family is required to house extended family members (i.e., grandparents or grown children and their families living with parents, termed doubling); 3) a family is renting inadequate living space to non-family members, also representing doubling.

There appears to be a direct link between overcrowding and housing affordability. Potential causes may include:

- Homeowners/renters with large families who are unable to afford larger dwellings;
- Older children wishing to leave home who are prohibited from doing so because they cannot qualify for a home loan or are unable to make rental payments, or;
- Elderly Relatives on fixed incomes who are unable to afford suitable housing or have physical handicaps that force them to live with their children.

**TABLE H-29
LA QUINTA OVERCROWDING¹**

	Owner		Renter		Total Households	
	Number	% of Owners	Number	% of Renters	Number	% of Total
1.0 Or Less Persons Per Room	2,676	94.5	937	85.3	3,613	91.9
1.01 to 1.50 Persons Per Room	98	3.5	93	8.5	191	4.9
1.51 of More Persons Per Room	58	2.0	69	6.2	127	3.2
Total	2,832	100	1,099	100	3,931	100.0

¹ Housing Units that exceed 1.0 or more persons per room are considered overcrowded.
Universe: Total households in occupied housing units.
Source: U.S Bureau of Census. 1990.

Households with lower incomes may permit overcrowding to derive additional income, or there may be insufficient supply of housing units in the community to accommodate the demand. In addition, overcrowding also plays a role in the deteriorating condition of the housing stock, particularly among older structures.

Table H-29 shows that 8.1 percent of the total occupied housing units were overcrowded in 1990.

A higher incidence of overcrowding was experienced among the rental tenure group. This is supported by the finding that the number of persons per unit in renter occupied housing units is higher than owner occupied, with 3.38 person per unit as compared to 2.65 for owner-occupied households. Although renter households constitute only 28 percent of all households in the City, approximately 14.7 percent of renters experienced overcrowded conditions, with 6.2 percent of all renters experiencing severe overcrowding, compared to 5.5 of owner occupied households, which constitute 72 percent of all households in the City.

It is possible that large rental households may have difficulty finding affordable three or four bedroom rental units. Almost 22 percent of renters (261 households) are comprised of households of five or more persons, as compared to approximately 11 percent of owners. According to the Census, there were 523 housing units in the City with four or more bedrooms. Of these, only 3.6 percent, or 71 units, are renter occupied. Although there are 668 three bedroom rental units in the City, comprising over 58 percent of the total rental stock, over 68 percent of these rent for \$750 and above, as

discussed previously. It is clear that the additional housing resources with three or more bedrooms are needed at rents affordable to Very Low and the low to mid ranges of Low income households.

6.5 Special Needs

The State Housing Law authority requires that the special needs of certain disadvantaged groups be addressed. The needs of the elderly, handicapped, large families, female heads of household, the homeless and farm workers are addressed below:

Elderly Persons

The special housing needs of the elderly are an important concern for the City of La Quinta since many retired persons are likely to be on fixed low incomes. Besides the affordability concern, the elderly maintain special needs related to housing construction and location. The elderly often require ramps, handrails, lower cupboards and counters, etc., to allow greater access and mobility. They also may need special security devices for their homes to allow greater self-protection. The elderly also have special needs regarding location. They typically need to have access to public facilities (i.e., medical and shopping) and public transit facilities. In most instances the elderly prefer to stay in their own dwellings rather than relocate to a retirement community, and may need assistance to make home repairs. Every effort should be made to maintain their dignity, self-respect, and quality of life.

The Riverside County Office on Aging recently completed its Strategic Plan 1993-97. Specific

recurring areas of concern on a Countywide basis, derived from nine community planning forums and 10 senior focus groups held during the development of the plan included:

- Affordable housing costs of \$250 to \$300 per month;
- Senior home repair;
- Rent control;
- Mobile Home management issues;
- Assisted living options; and
- Public protection/safety.

As reported in the 1990 Census data, 1,073 City residents, or 9.6 percent of the total population, were 65 years of age or older as compared to 8 percent of La Quinta's population in 1980. The senior population is predominantly white, with only 6 percent of the senior population of ethnic background, predominantly Hispanic Origin. La Quinta's population over 75 is estimated at 293 residents, or 2.6 percent of the City total.

The following Table H-30 identifies senior household characteristics. Approximately 75 percent of the two or more person "family" households are headed by seniors. Over 50 percent of the senior households report incomes within the Very Low and Low income categories. Income levels for slightly over 7 percent of the senior population have been determined to fall below the poverty level. The majority of senior households below the poverty level consist of individuals living alone.

There are 454 senior headed households, or 42.3 percent of all seniors, who own their residences. Of these households, 33.5 percent pay over 30 percent, (152 households) pay over 30 percent of their incomes for monthly owner costs. There are 75 senior headed rental households in the City. Of these, 67, or approximately 90 percent, reported paying over 35 percent of their incomes for monthly rental costs.

The City has entered into a development agreement for an affordable senior housing project, with 90 attached units, proposed by Williams Development. All of these units are intended for Very Low income seniors. Completion of the proposed project will aid greatly in meeting the needs of seniors currently overpaying for rental units.

Disabled Persons

Two major housing needs of the disabled are access and affordability. There are many types of physical and mental handicaps.

Disabled persons often require specially designed dwellings to permit free access not only within the dwelling, but to and from the unit. Special modifications to permit free access are very important in maintaining independence and dignity. The California Administrative Code Title 24 Requirements sets forth access and adaptability requirements for the physically handicapped. These regulations apply to public buildings such as motels, and require that ramp ways, larger door widths, restroom modifications, etc., be designed which enable free access to the handicapped. Such standards are not mandatory of new single family residential construction.

Like the elderly, the physically disabled also have special needs with regard to location. There is typically a desire to be located near public facilities, and especially near public transportation facilities that provide service to the physically disabled. Many government programs which group seniors and handicapped persons together (such as HUD Section 202 housing) are inadequate and often do not serve the needs of the disabled. A number of disabled persons receive supplemental Social Security Income (SSI) and are on fixed incomes. Increasing inflation and housing costs adversely affect these individuals in terms of securing housing.

**TABLE H-30
SENIOR HOUSEHOLDS BY SIZE/TYPE**

Household Type	1 Person Households	2 or More Person Households		Total
		Family	Non-Family	
Households with 1 or more persons 65 and over	205	531	27	763

Source: 1990 Census.

**TABLE H-31
MOBILITY AND SELF CARE LIMITATION**

Type of Limitation	16-64		65+		Total	
	#	% ¹	#	%	#	%
Mobility Limitation Only	523	4.7	324	2.9	847	7.6
Self Care Limitation Only	106	.9	41	.4	147	1.3
Mobility & Self Care Limitation	58	.5	43	.4	101	.9
Total	687	6.1	408	3.7	1,095	9.8

¹ % of Total Population
Source: 1990 Census

Table H-31 lists 1,095 persons in the City of La Quinta who experienced mobility or self-care limitations as reported by the Bureau of Census, 1990. 1,095 persons have handicaps that restrict them from working, representing 9.9 percent of the City's population. Persons solely with limitations on their ability to care for themselves, including senior Alzheimer sufferers, mentally ill adults, or severely physically handicapped adults, represent 1.3 percent of the City's population. Both groups of persons with handicaps include a large number of persons 65 years of age and older. Although seniors comprise approximately one-third of the disabled population, those seniors who report a mobility or self care limitation constitute approximately 38 percent of the senior population.

According to the Volunteer Center of Riverside's Ombudsmen Program, the greatest housing need for the developmentally disabled adult is group or board and care homes. Statistically, 101 persons in La Quinta, not quite one percent of the total population, report both a mobility and a self care limitation, and constitute the population most in need of a supportive housing environment. However, the mobility or self-care limitation does not necessarily translate into a need for specially constructed housing units. Therefore, it is difficult to estimate the number of handicapped persons in need of housing.

Facilities and services in the Coachella Valley that assist persons with both mental and physical disabilities include:

- **La Quinta Senior Center - La Quinta:** Services include Meals on Wheels, an outreach program and volunteer home care services for homebound seniors, and coordination of Dial-a-Ride transportation services.

- **Community Counseling and Consultation Center, Inc./Desert AIDS Project - Palm Springs:** Dedicated to providing support, care and treatment to people with AIDS and related illnesses and education to the general community. The Desert Aids project serves the psychological needs of AIDs clients, provides case management, anonymous HIV testing, legal services, a program of protection and prevention, and referral and recreational services.
- **F.I.S.H. of lower Coachella Valley - Indio:** Provides transportation, emergency food, and operates a "good neighbor" program.
- **Foundation for the Retarded of the Desert - Palm Desert:** A comprehensive service delivery agency for the developmentally disabled community; it provides programs to develop or enhance self-help skills, life enrichment skills, pre-vocational and vocational skills.
- **Valley Resource Center - Indio:** A non-profit organization providing services to the developmentally disabled adult. They administer supported employment programs and other workshops to assist daily living.
- **Braille Institute - A non-profit school** providing daytime classes for the legally blind, within a 50 mile service radius. Provides other services for the visually impaired.

Large Family Households

The 1990 Census reported 592 households in the City of La Quinta with five or more persons, representing 14.8 percent of all households. Large families are indicative not only of households that

**TABLE H-32
LA QUINTA LARGE HOUSEHOLDS BY TENURE**

Number of Persons in Household	Owner Occupied	Renter Occupied	Total
Five	151	144	295
Six	94	70	164
Seven or More	71	37	108
TOTAL	316	251	567
Source: U.S. Bureau of the Census, 1990. Universe: Occupied Housing Units			

require larger dwellings, with more bedrooms to meet their housing needs, but are also reflective of a large number that live below the poverty level. Difficulties in securing housing large enough to accommodate all members of a household are heightened for renters, because multifamily rental units are typically smaller than single family units. The present limited multi-family housing stock in and around La Quinta is almost devoid of housing with 3 and 4 bedrooms for larger families. However, single family development in the Cove has seen steady development with almost all units built having three or more bedrooms. This construction activity has created a supply of housing for large families not available in multifamily housing.

Table H-32 looks at tenure of housing units by number of persons in the unit. Statistics show that there numerically are more owner occupied units inhabited by large households, comprising over half of the large households in the City, representing 11 percent of owner occupied housing. There are 251 large households occupying rental units, which represents less than half of the large families in the City numerically, yet comprises 22 percent of all renter households.

The 1990 census tabulated 71 occupied rental units with four bedrooms in the City, and no five bedroom rental units. These units are not sufficient to accommodate the percentage of large household renters. Statistics indicated 250 vacant four and five bedroom units for which tenure has not been identified, which may provide additional year-round rental resources. In addition, there are 668 three bedroom rental units in the City, many of which are located in the Cove, to augment the need for larger rental housing.

Although there are resources available to meet the needs of large families, there are not sufficient numbers to accommodate the need. Available units may be out of the affordable price range for a number of households, and a number of larger bedroom units may be rented by smaller families or households who are able to afford the market rent. This conclusion is supported by the high demand for three bedroom rental units, and the low vacancy rates of 3 bedroom rental units available in the Cove.

Female Heads of Households

Single female heads of household form a distinguishable group in the La Quinta housing market. In 1980, 4.8 percent of all La Quinta households consisted of single female headed households. This group has increased to 14.9 percent of the total households. The 1990 Census shows that 783 households are headed by females, as shown in Table H-32. Of this total, 364 are households with children. Over one-quarter of these households are of Hispanic Origin.

Single female heads of household constitute a group with serious housing concerns. In general, families with female heads of household may experience a higher incidence of poverty than other household configurations. Poverty status is the relationship of income to the number of children under 18 for a household. The average poverty threshold for a family of four persons is \$12,674. The 1990 Census reports 90 female-headed households below the poverty level in La Quinta, of which 11 are elderly. This represents 2.3 percent of the total number of households in the City.

Census data does not analyze the relationship between poverty status and housing tenure.

TABLE H-33
LA QUINTA FEMALE HEADS OF HOUSEHOLDS 1990

Household Type	Total	Percent of Total
Female Headed Households without children under 18	419	10.7
Female Headed Households with Children under 18	364	9.2
Total Households	783	19.9

1. Total number of households in the City is 3,931. Percent of total households calculated on this figure.
Source: U.S. Bureau of Census 1990.

Therefore, it is difficult to estimate the housing needs of low-income female headed households. However, the total resources of assisted units in the City are not presently adequate to serve the number of these households that would potentially require low income housing. Resources in the community to assist single female heads of household generally include Section 8 Certificates for rental assistance. This type of assistance is limited by funding and the number of Section 8 Certificates available. Although 89 Section 8 Certificates were issued in the City in 1993, not all of these were issued to households headed by females. In addition, those single female heads of household who make slightly more than upper qualifying limits for Section 8 assistance may not have their needs addressed by available resources in the community.

Income below the poverty level may affect housing in several ways. Low income households usually have to spend a disproportionately large percentage of their income on housing costs leaving an inadequate amount of money for their other needs such as food, medical care, utilities and childcare. In this situation an unexpected expense or emergency may result in non-payment of rent resulting in eviction. Deficient income also results in poorly maintained dwellings, since income is more apt to be spent on more immediate needs such as food, clothing, transportation, and medical care. Traditionally, housing maintenance has been the responsibility of male heads of household. Female heads of household are sometimes ill-prepared to take on this responsibility without proper training or knowledge and may need assistance.

In addition, single female heads of household, particularly those with children, may enter the work place without substantial job skills and may not receive child support. Income statistics from the

Census indicate that female headed households with children and no spouse earn an average income of \$19,577, as compared to a female householder with no children, at \$34,156. This is indicative of the income discrepancy between a divorced or separated female head of household, typically with dependent children, as compared to a single, female householder without children, who may have had a greater opportunity to pursue a career. The differential in income may reflect a greater lack of job skills or work experience among the female- headed households with children.

Even in the case of dissolution of community property assets, single female heads of household do not typically have the resources to enter the housing market as a home owner. Children and adults can experience trauma as a result of relocation to other neighborhoods forced by the negative economic consequences of divorce. Although the incidence of female headed households with children below the poverty level is low in the City, addressing the housing needs for single female heads of household, particularly those with children, is an undertaking requiring innovative solutions. Strategies need to be considered to minimize disruption of such households.

Farm Workers

Based on the analysis of farm labor and the sharply diminishing amount of farmland in the City of La Quinta and surrounding rural areas in this part of the Coachella Valley, the need for farm worker housing has sharply diminished. The 1990 Census reports that 216 residents of the City are employed in the agricultural field, and that there are 45

agriculture related jobs provided within the City. It is probable that a number of occupations classified as agricultural are related to nursery operations or landscape maintenance.

The State of California authority defines seasonal employees as those who are employed less than 150 consecutive days by the same employer. Seasonal workers may be migratory or they may be persons or family members who are temporarily employed but permanently located in the Coachella Valley.

According to a 1988 study conducted by the State Department of Housing and Community Development (HCD), the total number of seasonal farm workers during the peak planting/harvest month in Riverside County was 12,133, with migrant farm workers totaling 5,460. The Coachella Valley Housing Coalition estimates that a total of 15,000 farm workers migrate through the Coachella Valley each peak growing and harvesting season. (This figure is based on an informal survey). These workers follow the crops in Riverside County and the nearby region, for example from the Coachella Valley to the Palo Verde Valley.

Responsibility for providing housing for farm workers originally lay with the growers that employed the workers. However, this practice was discontinued primarily due to high costs for liability insurance and maintenance. The need for housing in close proximity to work means that housing is needed in rural, agricultural areas rather than urban areas, as is often the case with other low-income groups. The principal housing options for regular and local seasonal farm workers are family-owned homes, private rental houses, apartment and mobile homes. The Census identifies the existence of one migrant farm worker structure in the City.

The Land Use Plan for the City of La Quinta proposes conversion of approximately 1,905 acres of land currently utilized for agriculture to urban uses within the buildout period. This conversion of agricultural lands will terminate any demand for seasonal and permanent farm workers in the City. Based on a 1989 statement by the Agriculture Commission, it is unlikely that any migrant farm worker households reside in La Quinta. As rents and housing costs increase in the City, and as the center for agricultural activities moves further eastward, it is likely that farm worker households will follow.

Those households residing in La Quinta which remain employed in agricultural related occupations would likely require units with low monthly costs, based on farm worker wages, and may require housing suited for larger family. However, migrant farm worker housing does not appear to be a housing need in La Quinta.

Homeless

Understanding the extent of homelessness in La Quinta has been difficult because there are no shelters or other services available in the City. If a person or family finds themselves homeless they must go to facilities in the City of Indio or Palm Springs for assistance.

The available homeless facilities in the Coachella Valley include:

- **Nightingale Manor:** Located in Palm Springs, Nightingale Manor is a 16 unit facility with 48 beds that provide homeless families a clean and decent place to live during their housing crisis. Under the direction of Catholic Charities, the shelter serves those area families, who for whatever reason, (other than drug or alcohol dependency) need emergency shelter for fewer than 60 days. Since opening in January 1988, the shelter has served as home to over 300 area individuals. This 16 unit residential apartment complex facility has been designed to serve the new "class" of homeless - families with children, individuals with employable skills, and former middle class families with long work histories. The apartment complex is operated by the County of Riverside Housing Authority, annual costs are subsidized by CDBG funding from cities in the Coachella Valley.

Statistics from the Housing Authority indicate that two households of three persons each from the City of La Quinta were sheltered at the facility in 1993. Whether the households were actually previous residents of the City, or La Quinta was their last temporary destination is unknown. Neither of the households were female headed although both reported incomes below 50 percent of the median County income.

- **Coachella Valley Rescue Mission:** This 35 bed facility, located in Indio, provides 11 beds for women and a 24 bed dormitory for men. Up to

7 additional bed spaces can be created in the chapel. The facility provides shelter for a period up to 5 days. If employment is verified, an additional 21 days are granted.

The Rescue Mission is directed as a non-profit organization which is 100 percent donor sponsored. The facility serves primarily transient and single persons, although children under the age of 12 are accepted with a female.

Discussions with the Program Director indicate that the majority of the occupants are migrant farm workers, primarily from Texas, Arizona and Northern California, and occupancy follows the crop cycles. There have been no persons seeking shelter from La Quinta. Surveys of surrounding communities by bicycle have been conducted by the Program Director to identify the existence of homeless persons. No homeless persons were sighted in La Quinta.

This information indicates a need for a minimal number of shelter beds. The Zoning Ordinance will be amended during the zoning code update process to authorize the establishment, "by right", of homeless shelters (both emergency and transitional) in the underlying zoning designated Highway Commercial (CPS). Applied to the M/RC land use designation.

6.6 Regional Housing Needs

State Housing Law requires the Southern California Association of Governments (SCAG) to identify future housing need through the planning period, i.e. 1988 through 1994. In meeting this mandate, SCAG developed the 1988 Regional Housing Needs Assessment (RHNA), which establishes both the projected need for non-market rate housing and the "same share" distribution of the projected need to each jurisdiction in each market area. Per recent legislative action, an updated RHNA will not be available from SCAG until 1996.

This update of the 1989 Housing Element is primarily to reflect augmentations and modifications to the 1989 Housing Element in response to HCD comments, assure consistency of the data base with the elements of the adopted 1992 General Plan, and to reflect the changes in the Land Use Plan and current projects which may further contribute toward achievement of objectives as established in the adopted 1989 Housing Element. Therefore, the needs established by the 1988 RHNA are not adjusted within this update.

The need for non-market rate housing is defined by the RHNA as households in the Very Low and Low income groups (i.e. annual income of 80% or less of the County median income) which pay over 30 percent of their total income for housing. It is assumed that households with a Moderate or Above Moderate income are not in need of economic aid or at the risk of becoming homeless for housing related economic reasons. According to the 1988 RHNA, an estimated 29.5 percent of the households in the City in 1988 were considered lower income (incomes below 80% of the median). The RHNA estimated 64 percent of La Quinta's lower income households paid more than 30 percent of their income on rent or mortgage payments. 1990 Census data indicates that 38.6 percent of the year-round households in La Quinta are considered lower income households. An estimated 72.7 percent of these lower income households are overpaying for housing, which represents 27.8 percent of the total households in the City as considered "in need". The proportion of overpaying and lower income households in the City reported by the Census has increased from the 1988 RHNA.

The RHNA calculates the projected new construction need necessary to accommodate the anticipated population through 1996. The basic construction need was calculated by factoring projected population, vacancy rates, housing market removals and existing housing units. State housing law requires that cities and counties demonstrate adequate residential sites that could accommodate development of housing that satisfies the future housing need.

The 1988 RHNA proposes that La Quinta provide a total of 1,262 new housing units to accommodate housing needs for all income groups in the City in the planning period, now extended to June 1996. These units would accommodate the adjusted projected growth of 1,233 households, and 29 units to adjust the imbalance in the vacancy rate, and would be distributed by income category as illustrated in Table H-34. The proportion indicative of housing need consists of 206 new units to accommodate Very Low income households, 200 new units to accommodate Low income households, and 231 new units to meet the needs of Moderate income households. Approximately half of the new units (625) cited by the RHNA to accommodate growth will be for Above Moderate income households, and provided through market rate housing.

**TABLE H-34
BASIC CONSTRUCTION NEEDS AND NEW HOUSEHOLDS**

Income Group	Households 1988 - 1996	
	Number Increase	Percent
Very Low	206	16.3
Low	200	15.9
Moderate	231	18.3
Above Moderate	625	49.5
Total	1,262	100.0

Source: Regional Housing Needs Assessment for Southern California, June 1988, prepared by SCAG.

La Quinta's 1,262 household future housing need represents 1.4 percent of the County's future housing needs, although La Quinta households constitute only 1.0 percent of the County's total number of households in terms of number of households. The share may reflect the availability of vacant housing sites, and adjustments due to the "avoidance of impaction" of surrounding communities, particularly as the percentage of lower income households in the City was lower than the proportional distribution within the County at the time of the RHNA.

Table H-34 shows that the greatest housing construction need through 1996 will be generated by Moderate and Above Moderate income households. The future need as determined by SCAG shows 18.3 percent of the need for Moderate income households and 49.5 percent of the households need as Above Moderate in 1996. Housing prices in La Quinta are still low enough that the Above Moderate and Moderate income households will be able to find affordable market-rate housing (as purchasers or renters), although the Moderate income households will be largely limited to the resale market and a few selected new housing developments. Although specific numbers are not available, the lower cost housing left vacant as households move up in the housing market, particularly in the Cove, represents a major resource of affordable housing in the City. Many of the Low and some of the Very Low income households will find affordable rental housing and resale ownership units through this upward mobility of other households.

7.0 HOUSING CONSTRAINTS

Constraints to the provision of adequate and affordable housing are posed by both governmental

and nongovernmental factors. These factors may result in housing that is not affordable to low and moderate income households or may render residential construction economically infeasible for development. Constraints to housing production significantly impact housing for households with lower incomes and special housing needs. To accurately assess the housing environment in the City of La Quinta, close consideration needs to be given to a series of constraints; the housing market, infrastructure, environmental and governmental factors that impact the cost of housing.

7.1 Non-Governmental Constraints

Although housing costs in the Coachella Valley region are, on average, below other metropolitan areas in Southern California, the cost of renting or purchasing adequate housing in La Quinta continues to be influenced by a number of market factors. Costs associated with labor, raw land, materials, and financing influence the availability of affordable housing.

Land Costs

Land costs include the costs of raw land, site improvements, and all costs associated with obtaining government approvals. The supply of undeveloped land has not been a constraining factor to development in La Quinta, the cost of the land constitutes the constraint. The cost of land is an important component of the cost of provision of housing. The rapid increase in land costs throughout Southern California has pushed up housing costs simultaneously. Land in the Coachella Valley has been and remains relatively affordable compared to other Southern California markets, but increased demand for housing due to

population growth and in-migration will continue to put upward pressure on land costs. The seasonal nature of the housing market in the City also affects land costs.

Research on costs of undeveloped vacant residential property in La Quinta revealed the following information: Prices range from \$2.60 to \$5.00 per square foot for an average 5,000 square foot single family residential lot in the Cove with infrastructure improvements, or approximately \$13,000 to \$26,000 per lot. Lots in other portions of the community are significantly more costly, as

shown in Table H-35. Large acreage parcels requiring subdivision and the installation of infrastructure (utilities available nearby), zoned for single family or planned development projects ranged from \$24,300 (1988 cost) to \$75,000 (1992 cost) per acre, (\$.56 per square foot to \$1.72 per square foot) depending on the location, the terms associated with the purchase, density potential, and proximity to major infrastructure for the provision of City services. These land costs are comparable, and in many cases lower than many other Coachella Valley communities. According to studies conducted by American Development

**TABLE H-35
LOT COSTS**

Location	Lot Size	Cost	Cost/Sq. Ft
LOT COSTS			
Cove	5,000	\$12,992	\$2.60
Cove (2 lots)	10,000	\$35,700	\$3.57
Cove	5,000	\$19,000 - \$20,000	\$3.80 - 4.00
Cove	5,000	\$25,500	\$5.00
Bajada, Tract 26016	7,500 12,000	\$80,000 \$120,000	\$10.67 \$10.00
La Quinta Estates	8,000	\$60,000-75,000	\$7.50-9.38
Painted Cove at La Quinta, Tract 25429	18,000 12,000	\$225,000 \$155,000	\$12.50 \$12.92
The Citrus Course, Tract 24890	14,400 21,780	\$180,000 \$460,000	\$12.50 \$21.12
The Enclave Mountain Estates, Tract 25237	14,400 21,780	\$215,000 \$655,000	\$14.93 \$30.07
The Orchard, Tract 25462	22,700 42,500	\$260,000 \$420,000	\$11.65 \$9.88
Tierra Del Sol	8,000	\$55,000-65,000	\$6.88-8.13
ACREAGE COSTS			
Cactus Flower (1988), Tract 22982	1 acre	\$24,271	\$.56
La Quinta Orchard (1992), Tract 25462	1 acre	\$75,000	\$1.72
Tract 25154 (1992)	1 acre	\$51,000	\$1.17
Qualico Tract 26769 (1991)	1 acre	\$45,000	\$1.03
Tierra del Sol, Topaz, Tract 24950	1 acre	\$50,000	\$1.15
Source: City of La Quinta Assessment Roll for the 1993-94 Year 1992 Coachella Valley Housing Survey			

Consultants in 1991, the cost per squarefoot for ready to build residentially zoned land varies significantly among each jurisdiction in the Coachella Valley. Although the land costs in the study do not reflect 1993-94 land costs, the City's position relative to other communities in the Coachella Valley can be ascertained, based on the unimproved land costs in Table H-35. Land zoned for single family homes ranged from \$1.00 to \$16.00 per square foot, and land zoned for multi-family units ranged from \$1.12 per square foot to \$16.00 per square foot.

While it appears that increasing density would lower the cost of land per unit, the free market system tends to compensate for the additional potential value of multiple units and associated factors such as availability of infrastructure, proximity to transportation routes and services, etc., thereby creating the potential for the price of land designated for higher density uses to be more costly than lower density land. The higher price of land for increased density uses may contribute to constraints to affordable housing when considered as an independent factor. However, the variance in land prices between single family and multi-family does not appear substantial in this portion of the Coachella Valley.

Although the City does not determine the price of land, land use policies regulating the number of units built per acre directly impact the cost of each dwelling unit. The use of density bonus, developer incentives or construction at the upper end of the permitted density range compensates for the increased land costs. In addition, large scale developers buying large tracts of land typically experience an economy of scale benefit in the cost of land. As land costs in La Quinta are generally comparable to, or lower than adjacent areas, and are lower than in other areas throughout California, land costs are not considered a constraint to market rate development. Land costs will strongly influence the production of housing affordable to Low and Very Low income households.

Specific plans have been developed for a large proportion of the City's residential areas. The Land Use concept of the General Plan integrates the Specific Plan philosophy with the establishment of land uses which respond to the need for developed land to provide a range of housing types and densities. The General Plan Land Use Element contains an implementation measure to prepare a specific plan for the Mixed/Regional Commercial designation, which contains the potential for high

density residential uses. The potential for residential uses contributes to the City's jobs-housing balance.

Construction Costs

One of the largest costs associated with constructing a new living unit is the cost of building materials, labor and short term financing. Construction costs in California have risen significantly over the past decade. Local developers estimate that construction costs in La Quinta are estimated to range between \$30 and \$45 per square foot, excluding land costs, profit and architects fees/reproduction, depending on home design and materials selected. These costs are generally comparable to, or less than surrounding communities.

The type of product largely determines the cost of construction. La Quinta has an existing inventory of homes constructed in the Cove prior to the early 1980's which generally reflect a lesser degree of amenities, (such as the provision of carports instead of a two car garage), than the more recent semi-custom and tract development which has occurred over the past decade throughout the City. These older homes generally reflect a lower resale market price than newer products with supplemental amenities and a higher quality of materials. Citywide, homes built between 1980 and 1993 comprise over 62 percent of the overall housing stock.

Although a reduction in amenities and quality of building materials in new homes (still above the minimum acceptability for health, safety and adequate performance) may result in lower sales prices, this approach may not result in a significant price reduction in the new home market. As well, a reduction in amenities and quality of building materials does not support the City's overall goal for a high quality of living for its residents, and are not consistent with the regulatory mechanisms established to achieve this goal.

Residential developments in La Quinta of the 80's and 90's have reflected a tendency toward tract and planned development, inclusive of custom lot development within planned communities. Subsequently, the price structure of single family homes has benefitted from the economies of scale of tract development. The use of pre-fabricated or factory built residential units to lower housing costs by reducing labor costs has not been utilized in La Quinta.

Typically, in the private sector market, the development of residential units is a business, and developers seek the greatest return for their investment. As with most businesses, a constraining factor in the area of profitability continues to be the market place where developers sell their products. To a great extent, the market place sets the upper end of the profit margin with overhead costs for construction constituting the lower parameter of profit. The following Table H-36 lists the overall development costs per square foot, inclusive of: land; infrastructure improvements; materials; labor; construction financing; and indirect costs/assessment fees, for several developments on the market in La Quinta during 1993/94.

Physically running out of land to develop is not a pressing problem facing developers in La Quinta. However, there are limitations in the amount of land zoned for higher densities which typically accommodate affordable units. Typically, one of the best profit approaches in construction of more affordable homes where land is limited has been the reduction in the size of lots, and a variety of configurations in the setback requirements for the units, such as wide and shallow, interlocking lots, and zero lot line development. Creative lot configuration approaches are also applicable for the profitable development of higher density single

**TABLE H-36
REPRESENTATIVE DEVELOPMENT COSTS¹**

Development	Type of Product	Size of Unit	Cost Per Square Foot
Acacia	Detached	1,372 2,162	\$95 \$79
Avante	Detached	2,005 2,485 - 2,565	\$119 - 123 \$110 - 114
Desert Fairways	Detached	2,206 2,305 2,811 3,025	\$114 - 130 \$112 - 121 \$120 \$117
Fairway Homes	Detached Attached	3,100 - 3,700 2,439 - 2,747	\$129 - 153 \$124 - 147
La Quinta Del Rey	Detached	1,006 1,469 - 1,732 2,010	\$105 \$81 \$73
Laguna De La Paz	0 Lot Line Detached Duplex	1,904 average 1,562 - 2,001	\$77 average \$75 - 86
Marquesa	Detached	2,925 3,296	\$152 - 179 \$136 - 150
Palm Royale	Flats/Condos	763 912	\$124 - 127 \$126 - 139
Parc La Quinta	Detached	1,620 1,804 2,222	\$98 \$89 \$86

1. Inclusive of land, infrastructure improvements, labor, materials, overhead, building and processing fees, financing and profit.
Source: Residential New Homes Trends, March 1994

family detached units and may be considered for the land designated by the Land Use Plan as Medium, Medium-High Density, as well as multiple family residential development in the High Density designation as a PUD, and within proposed Mixed/Regional Commercial areas, subject to City standards and regulations.

Although such creative lot configurations can be permitted in areas in the city which are governed by Specific Plans and within PUD subdivisions, the City has recently adopted a Compatibility Ordinance establishing the minimum allowable size of dwelling units and bedroom sizes, as well as the requirement for a two car garage. The ordinance for minimum unit sizes is not applicable to senior and affordable housing projects, because these types of projects are subject to processing under a Conditional Use Permit where unit size requirements may be waived in light of affordability factors, and provided that the overall density of the development does not exceed the density, (plus bonuses), as designated by the Land Use Plan.

The City cannot directly control construction costs. Hence, increases in these costs directly affect the need for subsidy to achieve affordability in residential units. New housing starts in the Coachella Valley and the proportion of houses for sale remain stable at this time, although builders may produce their inventory of development in smaller phases, or reduce inventory of standing stock by temporarily lowering prices. The construction cost of housing affects the affordability of new housing and may be considered a constraint to affordable housing in the La Quinta area. However, the City may implement a variety of programs to write down land costs or provide other developer incentives such as waivers in development standards or processing fees in order to increase affordability, subject to provision of a percentage of units with affordability restrictions.

Financing

Interest rates impact both the purchase price of the unit and the ability to purchase a home. Interest rates, however, are determined by national policies and economic market conditions and, as such, local government has no impact on these rates. Historic market trends reveal that when interest rates are low (below 12%), the majority of the housing demand is focused on single family homes. When interest rates exceed 12% for any length of time, only a small percentage of new home buyers can qualify for monthly mortgage payments on the

average market rate single family home. At this point, demand shifts to lower price units, usually multi-family, and construction trends follow.

Lending rates for developers are generally 2 to 2.5 percentage points higher than the prime interest rate, which has been 8 percent or below through 1993.

Financing for both construction and long term mortgages is generally available in La Quinta subject to normal underwriting standards. The availability of financing for developers under current economic conditions may pose a constraint on development outside of the City's control.

First time home buyers are the group impacted the most by financing requirements. Mortgage interest rates for new home purchases range from six to eight percent for a fixed rate 30 year loan in 1993/94. Lower initial rates are available with Graduated Payment Mortgages (GPMs), Adjustable Rate Mortgages (ARMs), and Buy-Down Mortgages. However, variable interest rate mortgages on affordable homes may increase to the point of interest rates exceeding the cost of living adjustments, which is a constraint on the affordability. Although rates are currently low, they can change significantly and substantially impact the affordability of the housing stock. Typically, conventional home loans will require 5 to 20 percent of the sale price as a down payment, which is the largest constraint to first time homebuyers. Interest rates at the present time are not a constraint to affordable housing. Current interest rates may be considered supportive for Low and Moderate income households, who may not be able to qualify at higher rates.

Homeowners' Association

In many golf course, lake, gated or planned development communities, homeowners are charged mandatory monthly Homeowners Association dues. Homeowner's Association dues typically cover maintenance of common grounds and structures, pool and recreation areas, streetscapes and landscaping, guard gates and personnel (if applicable), and may even cover maintenance of the residential structures and yards, depending on dwelling type and ownership status. Although the initial purchase price of units within many such communities exceeds the definitions of affordable to Moderate income households, in some projects the initial price of the unit may be achievable, particularly with the current low interest

rates. However, when the total housing payment (principal, interest, taxes and insurance) is combined with a substantial monthly Homeowners' Association fee, the total payment is likely to exceed 30 percent of the household income.

Other Non-City Constraints

Although not a direct market or governmental constraint, the common perception of affordable housing by the public is that it is undesirable in their community. This may constitute a constraint on a local jurisdiction's ability to approve otherwise appropriate projects. Long term education, superior project design, and economically integrated projects incorporating a proportion of affordable units, together with good management practices and a continuing opportunity for public involvement, may help alleviate these constraints.

7.2 Governmental Constraints

Historically, the provision of affordable housing has been almost exclusively a function of the public sector. Market rate housing has not been, overall, affordable to households other than the upper ranges of Moderate income households (80 - 120 percent of Median County income) and Above Moderate income households (above 120 percent of the median County income). With the cost of housing increasing at a rate faster than the increase in income, more people are being eliminated from the "starter" home market. Even with the recent fluctuations in the housing market, resulting in a stabilization of home prices, and in some circumstances, a reduction in prices, it requires a down payment and cash closing costs. As well, the monthly gross income must be sufficient to accommodate the monthly mortgage, interest, taxes, insurance and utilities without exceeding 30 percent of the monthly gross income for household expenses. The demand for housing in La Quinta is strong due to the fact that it is an attractive area where housing costs have been lower than other markets to the west.

With the creation of the La Quinta Redevelopment Agency, the City has become more active in the area of affordable housing. Actions by the City with an impact on the affordability of homes take place in two broad areas. First, the City has traditionally exercised authority in the area of land use controls, site improvement requirements, building codes, fees and other regulatory programs. Secondly, by acting through the RDA, the City has the ability to use funds set-aside to expand and

improve the supply of housing affordable to low and moderate income households.

Governmental constraints include policies, development regulations and standards, requirements or other actions imposed by the various levels of government on development. Although Federal and State agencies play a role in the imposition of governmental constraints, the actions of these agencies are, for the most part, beyond the influence of local government and are therefore not addressed in this document. The following factors may constrain the maintenance, improvement and/or development of housing in La Quinta: land use controls, building codes, processing procedures, and development fees.

Every City must have a General Plan which establishes policy guidelines for all development within the City. The General Plan is the foundation of all land use controls in a jurisdiction. The Land Use Element identifies the location, distribution and density of land uses in the City. In implementing the General Plan, the City of La Quinta utilizes a number of planning tools including the Specific Plan, Zoning Regulations, and Subdivision Ordinance. Zoning, which must be consistent with the General Plan, establishes more specific development standards, allowable uses, and limitations.

General Plan Land Use Designations

The Land Use Element of the General Plan establishes the maximum and minimum amount of housing per acre that can be developed. This is the "density" of a permitted development. General Plan densities are expressed as dwelling units per acre. The Land Use Element sets forth five residential land use designations and the Rural Residential Overlay.

As La Quinta is largely dependent on tourism, a high percentage of employment is being generated in the service industries which traditionally pay at lower income scales. However, new market rate housing in the City is generally not offered at prices affordable to accommodate the maximum monthly housing expenditure level of the service sector employees.

The Land Use Element also sets forth two commercial land use designations which permit residential uses. The Mixed/Regional Commercial and Urban Mix Land Use designations are intended to provide opportunities for housing of the City's

tourism and retail/commercial labor force, and allow for residential development as a primary or secondary use on a proportion of the total acreage, depending on the total site area, at residential density ranges commensurate with the High Density designation. The density ranges for each land use designation used to calculate housing at buildout, are listed in Table H-37.

It is the established policy of the City to maintain the community character of high design standards and low densities for all new development, including affordable housing projects. Density is a critical factor in the development of affordable housing. In theory, maintaining low densities typically increases the cost of construction per unit. Higher density improves housing affordability because it lowers the per unit land cost (although the overall land cost per acre may be higher than for lower density uses) and facilitates efficient construction. However, as previously shown in Table H-36, there are cases in the City of La Quinta where some of the higher density, smaller unit type products are not more cost effective to the developer. More intense residential development which is consistent with the City's character can be achieved in La Quinta through a number of

mechanisms, including clustering of residential development, density bonuses and zero lot line/small lot development in selected areas of the City, subject to established design parameters of the Zoning Code and development standards of Planned Unit Developments (PUDs), if applicable. Clustering of housing can produce higher densities on a portion of land, while retaining the overall density assignment of the entire property. This method is effective when portions of property are not utilized for residential development can be developed with compatible uses, such as open space/recreation, parks, schools, public facilities. In the case of mixed-use, residential uses may be clustered with office, commercial, retail, hotel, business park or public facilities for higher density uses in proximity to employment and transit opportunities.

The City's extensive use of the Specific Plan accommodates the clustering concept and a diversity of residential housing types, allowing for MHDR and HDR uses within areas designated on the Land Use Policy Diagram for lower density residential uses, as long as the overall density and dwelling unit capacity is not exceeded. As indicated in Table LU-2 (Policy Diagram Land Use

**TABLE H-37
RESIDENTIAL LAND USE CATEGORIES**

Designation	Density Range	Purpose
Rural Residential Overlay	0-1 DU/AC on VLDR 0 - 3 DU/AC on LDR	Facilitate the preservation and development of a rural character in desirable locations in the City.
Very Low Density (VLDR)	0 - 2.0 DU/AC	One to two story, single family detached homes on large lots; clustered one and two-story, single family detached homes surrounded by large open space areas.
Low Density (LDR)	2.0 - 4.0 DU/AC	One to two-story, single family detached homes on large or medium sized lots; one to two-story, attached single family homes clustered in areas surrounded by open space.
Medium Density (MDR)	4.0 - 8.0 DU/AC	One to two-story, single family detached homes on medium to small sized lots; one to two-story attached single family homes (in MDR areas <u>not</u> within the Cove).
Medium High Density (MHDR)	8.0 - 12.0 DU/AC	One to two-story, single family detached homes on small lots; one to two-story attached single family homes; one and two-story apartments.
High Density (HDR)	12.0 - 16.0 DU/AC	One to two-story, single family attached homes; one to three-story apartments.
Mixed/Regional Commercial Residential	12.0 - 16.0 DU/AC ¹	One to four-story apartments and single family attached condominiums, in conjunction with primary use Regional Commercial, and secondary office or business park uses.
Urban Mix	Up to 16 Du/AC	One and two-story detached residential units and one to two story multi-family residential uses, subject to Zoning standards

1. Residential uses within the Mixed/Regional Commercial designation are limited by the establishment of a Non-Residential Overlay which restricts residential uses from locating within areas with excessive traffic, noise and other unsuitable environmental conditions along Highway 111. The Overlay is designated along Highway 111 from the south side of the Coachella Valley Stormwater Channel to 660 feet south of Highway 111 (down to within 330 feet of Avenue 47 in Section 30) excluding the area west of Washington Street on the south side of Highway 111 behind the existing Plaza La Quinta commercial development.

Data at Buildout, Footnote 2) of the Land Use Element, this accounts for the majority of acreage of High Density Residential uses which are components of an overall lower density designation and therefore not specifically depicted graphically on the Land Use Policy Diagram.

The General Plan establishes conditions which regulate the location of higher density uses in areas designated for less intensive development to ensure consistency of quality. These include:

- Preparation of Specific Plan to ensure that overall project density is consistent with underlying Land Use Policy Diagram density;
- The MHDR and HDR uses are part of a mixed-use, planned development;
- Utilities/transportation facilities are designed to accommodate MHDR and HDR uses;
- MHDR and HDR uses are located adjacent to or in close proximity to arterial roadways and intersections;
- HDR or MHDR uses buffer lower density uses from commercial uses and roadways;
- MHDR and HDR uses are located in close proximity to park/open space uses, or provide substantial recreational amenities in the development;
- If the above requirements are not met, a General Plan Amendment is required to allow the use in the non-designated area.

The availability of developable acreage in upper density ranges allows for development of certain types of housing which may be affordable to Very Low and Low income households. For example, the La Quinta Palms Apartment complex in the City, which provides rental units at market rates for two bedroom units affordable to Low and Very Low income households, and three bedroom units affordable to Low income households, was developed at a density of 16 dwelling units per acre. The Land Use designations provide for such development and are not considered to be a constraint to the provision of housing affordable to Very Low and Low income households.

In response to market conditions, however, the majority of High Density uses in the City, to date, have been for residential condominium products in

golf course communities, which are offered at rents or purchase prices affordable to Moderate and Above Moderate income households. A proportion of the existing housing stock developed at lower densities continues to provide an affordable housing resource. If affordability to lower income households is to be achieved through new development, increased levels of subsidy will be required. The City of La Quinta is in the advantageous position of being able to undertake assistance programs through the Redevelopment Agency's Low and Moderate Income Set-Aside fund, and agreements with a number of developers to provide affordable units.

While new affordable units can be provided through a variety of strategies, the best source of affordable housing is found in the older neighborhoods in La Quinta, in particular the Cove and the Village areas. The average net residential density in the Cove, based on the original subdivided lot size of 5,000 square feet, is 7.5 dwelling units per acre, designated as Medium Density Residential in the La Quinta General Plan Land Use Element. Existing housing in these areas constitutes a very important and on-going housing resource that does not need to be subsidized by government. Therefore, these neighborhoods are more cost efficient for Low and Moderate income housing, and offer ownership opportunities as well.

Municipal Code

Many of the zoning regulations utilized by the City of La Quinta have been modified from the original adoption of the regulations of Riverside County to serve the unique needs of the City. The present La Quinta Zoning Code, as of May 1994, contains seven residential classifications which are based on lot size rather than density based designations. The residential zone portions of the Municipal Code impact housing affordability in several ways. The Zoning Code regulates such features as building height and density, lot area, setbacks, minimum unit and room size, and open space requirements per zoning district. Development standards for the seven residential zoning classifications are provided in Table H-38.

As presented in the Master Environmental Assessment for the 1992 General Plan, the R-1 and R-2 Districts include more than 80 percent of the residentially zoned land in the City. The higher density residential district (R-3) which accommodates mixed use type projects comprises only three percent of the existing residentially

**TABLE H-38
RESIDENTIAL DEVELOPMENT STANDARDS**

District	District Name	Minimum Unit Size	DUs per Lot/ Minimum Lot Area	Lot Coverage	Height	Minimum Lot Area	Minimum Lot Dimensions		Minimum Setback			Parking Required
							Width	Depth	Front	Side	Rear	
SR	Special Single Family Residential	1,200 sq. ft.	One ¹	60%	17 Ft.	7,200 sq. ft. ^{2A}	50/ 55 on corner	90	20	5/10 ²	10	2 Spaces Plus 20'x20' garage
R-1	Single Family Residential	1,400 sq. ft.*	One ¹	60%	28 Ft.	7,200 sq. ft.	60	100	20	10% of lot width	10	2 Spaces in garage and 2 tandem
R-2	Multiple Family Residential	1,400 sq. ft. for SF*	One per 2,500 sq. ft.	60%	28 Ft.	7,200 Sq. Ft	60	100	20	10% of lot 3' min width	10	See R-3
R-3	General Residential and Multiple Family Residential	1,400 sq. ft. for SF*	One per 2,500 sq. ft.	50%	50 Ft. ³	7,200 sq. ft.	60	100	10 ⁴	5/10	10	Studio: 1 sp/unit 1 Bdrm: 1.5 sp/unit Senior: 2 unit space/unit 2 Bdrm: 2.5/unit
R-4 ⁵	Planned Residential	1,400 sq. ft. for SF	One per 3,500 sq.ft.	60%	35 ft. S/F 50 ft. M/F ³	6,000 sq. ft.	40	80	10 ⁴	5/10 ²	10	
R-V	Village Residential	1,400 sq. ft.	One per 2,500 sq.ft.	65%	30 Ft	7,200 sq. ft.	60	100	20	5/10	10	See R-3 See R-3
R-T	Mobile Home	450 sq.ft.	One per 3,600 sq.ft. ⁶	N/A	35 Ft	7,200 sq.ft.	45 min. 60 avg.	100	20	5	5	2 plus 1/2 for guest

1. Second units permitted on lot not to exceed 300 square feet in size.

2. Zero lot line permits 0 feet on one side and 10 on the other.

2a. A smaller minimum lot size may be established in connection with a cluster subdivision on similar planned residential development and within existing subdivided areas consisting of 5,000 sq. ft. lots.

3. Heights up to 75 feet permitted with CUP.

4. An additional 2 foot setback required for each additional foot in height of building.

5. This zone cannot be applied to any area less than nine acres.

6. When common recreation facilities are provided at the rate of 500 square feet per lot, lot size requirements are reduced from 7,200 square feet to 3,600 square feet, and minimum lot width decreases to 40 feet, with a 30 foot minimum

* Senior or affordable project may have smaller units than minimum cited.

zoned acreage, and is located at the La Quinta Hotel and the PGA West development.

Analysis of acreages by Zoning designation does not reflect the higher density uses developed as part of a Specific Plan zoned at an overall lower density. The Zoning Code is presently being modified to reflect the adopted General Plan designations, through the establishment of: density ranges which are consistent with General Plan land use designations; design and development standards which implement the policies of the General Plan; and mechanisms for the realization of high quality housing opportunities for lower income households.

Governmental development standards, either modified or as part of administrative policies, may add to the cost of housing because the standards may necessitate additional construction and building materials and labor. These standards are enacted for the protection of the community's health, safety and welfare. A modification or waiver of development standards can reduce the cost of housing construction, which may, in turn, result in lower housing prices. However, a modification of certain development standards may result in a reduced level of quality.

Design standards such as roofing materials, architectural enhancements, and landscaping also increase the costs of housing. Residential development in La Quinta typically requires approval of site development plans, which includes meeting the requirements of design review at the Planning Commission level. An applicant may request an adjustment for certain design and development standards subject to Planning Commission review and approval. However, it is the City's outlook that affordable housing projects should meet the same fundamental design standards as other residential developments. As a result, additional subsidy may be required to assure a consistent level of quality development in the City.

The City of La Quinta's residential zoning regulations vary, depending on the different zones as defined in the Zoning Code. Minimum standards are described in Table H-38. Height limits for attached and detached single family residences and multiple family residences vary according to zone. Views are preserved in the SR zone with a 17 foot height limit, and units in the R-1 and R-2 zone cannot exceed the height of two stories or 28 feet. The exception is in the R-3

zone, designed to accommodate multiple family dwelling units, where structures can be up to four stories or 50 feet tall, with a maximum limit of 75 feet with a CUP, and the R-4 zone, which permits heights up to 35 feet for a single family detached unit.

New development in the Cove, under SR zoning, is subject to design controls which were established at the City's incorporation as a protective measure against the aesthetic deterioration which had occurred under the County's previous jurisdiction. The design guidelines apply only to new development. Each house is considered custom, regardless of the size. Attention is paid to maintenance of a desert tone color palette and such architectural details as eave overhangs for window shading, and decorative attic ventilators as a cost-effective method of upgrading the aesthetics of the area. Landscaping and irrigation standards are applied, with a minimum of three trees required for interior lots and five trees required on corner lots. Roof material must be concrete or clay tile for aesthetics. In the case of pitched roofs, clay tile is required to withstand the high seasonal wind velocities typical of the area. Although many older homes do not have two car garages, a two car garage is now a required component of the floor plan for each new unit. These standards add to the initial costs of a house which otherwise might be affordable to lower income households.

The R-2 and R-3 zones allow an upper range of density consistent with the General Plan MDR, MHDR and HDR designations in terms of development intensity. Minimum side yards and setbacks are required where a project abuts an exterior boundary or a public street. However, lot coverage, width and setbacks within a project are variable to allow for clustering, or creative lot configurations, as well as recreational and open space amenities. Most resort oriented condominium projects are developed within these zones. The R-3 zone accommodates projects of a mixed-use nature, whereas the R-2 zone is primarily residentially oriented. These zones allow creativity and flexibility necessary to support the development of multiple family residential uses "by right". Both the R-2 and R-3 zones permit PRDs, in compliance with development standards for PRDs.

Planned Residential Development standards for multiple family units in R-3 zones establish minimum ground floor unit sizes of 1000 square

feet and a minimum of 750 square feet for units above the ground floor. The number of units at the minimum allowable sizes are further regulated to produce a project-wide average unit size of not less than 1000 square feet, and those units less than 1000 square feet are to be evenly distributed throughout the project.

Permitted uses in the R-V zone include single-family detached dwellings which comply with requirements and standards of the SR zone, and a variety of other housing types, including single-family attached, duplex, triplex, townhomes, apartments and condominiums. Permitted densities range from 2 to 16 du/ac. Supporting this zone is the C-V-T "Tampico" Subzone, which is meant to provide an area of "urban mix" where residential and commercial uses are permitted along Tampico, across from future commercial, and along the eastern edge of the Village core. The second purpose of this subzone is to create a setting wherein affordable housing units may be created for housing seniors and employees of the Village environs. For senior projects, special discounts in parking will be considered. A CUP is required for higher densities or variations in parking requirements for non-senior projects or projects which do not accommodate affordable units within the increased density.

The Zoning Code contains a specialized R-6 zone for affordable housing that, through incentives and consideration of a specialized housing proposal in connection with a proposed zone change, will facilitate the construction of affordable housing. During the public hearing process, density of a project is determined by the physical and service constraints of the parcel being considered, and may exceed the density permitted for standard projects as established in the Land Use Policy. The minimum density permitted is 4 du/ac, with a reduced minimum lot size of 3,600 square feet.

It is the intent that the R-6 zone classification be used and applied in areas where basic services such as water, sewer, other utilities, and adequate road circulation already exist or can be reasonably extended. The R-6 zone classification is to be applied to a specific geographic area only in conjunction with an approved plan for development. Applications for R-6 zone projects are to receive priority for processing by all City departments involved in the review and issuance of permits.

The R-6 zone accommodates single-family attached and detached dwellings, including mobile homes on permanent foundations, multiple-family dwellings, PRDs, and apartments. The purchase price of the units developed in this zone are restricted as follows:

1. The selling price of 25 percent of the units shall be affordable to moderate income households; or
2. The selling price of 15 percent of the units shall be affordable to low income households; or
3. The average selling price of the dwelling units shall not exceed 80 percent of the average home sales price in the market area.

If a development is benefitted, directly or indirectly, by the use of government funds for site acquisition, extension of services or roads, or other financial support, the sales price may be further reduced.

Currently, the Mixed Regional Commercial Designation is implemented by the C-P-S Zone which does not provide for a residential component. Zoning regulations that are too rigid and do not allow sufficient land use flexibility could increase costs of development and inhibit development interest.

Density Bonus

Beyond local requirements, state law allows for a developer to increase the density of a residential development by at least 25 percent if provisions are made to provide 20 percent of the units to be allocated for low and moderate income housing. The City intends to adopt the use of the state density bonus provisions as well as one additional incentive or financial equivalent (such as modified development standard) to all residential development areas, with special emphasis in the High Density Residential and mixed use areas, to promote the development of housing and densities appropriate to meet Very Low and Low income housing needs.

Second Units and Manufactured Housing Requirements

In response to state mandated requirements and local needs, the City of La Quinta allows for the development of a second accessory unit ("Granny

unit") in single family areas and in zones for multi family use. Conditions on the unit require that the unit may be rented but not sold, that the lot currently contains an existing single family dwelling, and must have its own parking space. Granny units primarily serve to augment resources for senior housing. When the second unit is attached to the primary dwelling, it may not exceed 30% of the existing living area. Detached units may not exceed 1,200 square feet, and are calculated into the 60% lot coverage regulation. Guest houses are also permitted in all residential zones except for R-6. Detached guest houses do not have cooking facilities.

Manufactured housing is also considered an important housing alternative, especially as related in serving the needs of lower-income households. Chapters 1571 and 1572, Statutes of 1988, require that manufactured housing must be permitted on permanent foundation systems on all single-family zoned lots, so long as the unit is no more than ten years old on the date of application, and meets federal and optional local standards specified in Government Code Section 65852.3.

A locality may exempt from this provision any place, building, structure, or other object listed on the National Register of Historic Places. Section 65852.3 specifies that local governments may impose architectural requirements on the manufactured home itself which are limited to roof overhang, roofing material, and siding material, so long as the requirements, or any other lot development standards imposed on the manufactured home installation, do not exceed those required for a conventional home on the same lot. Section 675852.4 has been added to the Government Code to specify that a locality may not subject an application to install a manufactured home on a foundation system on a single-family lot to any administrative permit, planning or development process, or requirement unless it is identical to those which would be imposed on a conventional home on the same lot.

Within City limits, mobile homes must comply with the development standards of the zone, which includes regulations for minimum square footage. The Zoning Ordinance currently allows mobile home subdivisions exclusively in the R-T Zone. Mobile Homes on permanent foundations are a permitted use within the R-6 (Residential Incentive) Zone.

Chapter 9.220 of the La Quinta Zoning Code finds that all lots zoned to permit the construction of conventional single family dwellings are compatible for the installation of a mobile home on a foundation system if the installation utilizes roof overhang and roofing and siding materials that are compatible with the neighborhood, parking requirements are met, and the zone's minimum unit size (750 square feet) is met. Manufactured housing allows affordable housing for a segment of the market.

The City does not anticipate many applications for manufactured units on vacant lots in the City, based on 1993/94 land costs and minimum dwelling unit size standards. However, it is possible that the City may encounter an application for a manufactured housing tract.

While the intent of the state requirements are to amend land use controls to provide affordable housing, the City actions to modify or remove zoning and design constraints do not specifically regulate or address the issue of qualifications for affordability, nor the continuation of affordable housing once created as such.

Parking Requirements

Parking requirements in the City of La Quinta are typical for a city of its size with resort oriented characteristics: 2 spaces per unit for single-family residential; and 1 to 2.5 spaces for multi-family dwelling depending on unit types and other project characteristics. Studio units require one space only; one bedroom units require 1.5 spaces; Senior units require 2 spaces; and two or more bedroom multi-family units require 2.5 spaces. These characteristics do not constrain the development of housing directly.

However, the requirements for 2 parking spaces for senior projects, 1.5 spaces for a one bedroom multiple family unit, and 2.5 spaces for two bedroom units may be in excess of need, particularly in projects catering to seniors or lower income households which may be more transit dependent than other income groups. It has been documented in The Case for Multifamily Housing, ULI 1991, that "residents of multi-family housing tend to run fewer cars and use them less often".

In summary, existing and proposed land use standards and codes do not constitute a significant constraint to the development or the maintenance of affordable housing.

**TABLE H-39
LOCAL DEVELOPMENT PROCESSING TIME LIMITS**

Item	Approximate Length of Time From Submittal to Public Hearing
Conditional Use Permit	6 weeks
Site Plan Review	6 weeks
Tentative Tract Map	7 weeks
Variance	6 weeks
Zoning Amendments or Zone Change	8 weeks
General Plan Amendment	8 weeks
Environmental Documentation	Runs with application

**TABLE H-40
STATE DEVELOPMENT PROCESSING TIME LIMITS**

Item	State Maximum
General Plan Amendment	None
Zone Change	None
Subdivision Action on Tentative Map	50 Days
Environmental Documentation/CEQA	
Review of Application for Completeness	30 Days
Determination of NEG DEC or EIR Requirement	30 Days
Completion of NEG DEC Requirement	105 Days
Certification of Final EIR	1 Year

Local Processing and Permit Procedures

The cost of holding land by a developer during the evaluation and review process is frequently cited by builders as a contributing factor to the cost of housing. The California Government Code establishes permitted time periods for local agencies to review and act upon private development proposals. These time restrictions are identified in Table H-39. The City's time restrictions are identified in Table H-40.

Discretionary projects are reviewed by both the Planning Commission and the City Council. The City deleted the responsibilities of the Design Review Board (DRB) in February 1994, which reduces processing and review time by up to 30 days. The Planning Commission now undertakes design review responsibilities as part of the standard review process. The Planning Commission serves as the body which conducts the architectural review prior to building permit issue and where model homes are to be constructed. The availability of preliminary processing and design requirement information

from the City allows a developer to consider a project before committing to the application process and can save the developer time and money, making the proposed development more cost effective and competitive in the market place.

Overall time frame for processing applications before the Planning Commission and City Council is controlled to a large degree by the legal requirements for the noticing of public hearings. Public hearings for CEQA projects must, under the law, be noticed in a paper of general circulation 21 days prior to the date of the Planning Commission or City Council meeting. The City also allows the concurrent processing of applications which speeds up the process. For example, an application for a variance, in conjunction with application for a land division shall be processed together to final decision.

The time and funds expended by the City of La Quinta in regards to specific plans also helps reduce the developer's costs associated with the review and evaluation process. La Quinta currently has 11 approved specific plans that

provide for residential development, and 2 commercial specific plans with residential components. Although the processing of a Specific Plan may extend the processing procedure by 30 days, cost reductions associated with the development of land in a specific plan may be substantial, as much of the preliminary work such as obtaining a general plan designation and negotiating with the City regarding street and other off-site improvements have been predetermined in the specific plans.

A Specific Plan application or General Plan Amendment is made to the Planning Director, and is heard at public hearings before both Planning Commission and City Council. The Planning Commission's recommendation for denial of the adoption, amendment or repeal of a Specific Plan to the Council is considered final, and no further action is required by Council unless an appeal is filed. The Planning Commission's affirmative recommendation for the project may be approved, modified or denied by the City Council, provided, however, that any recommendation not previously considered by the Planning Commission be referred to the Planning Commission for a report and recommendation. This may add up to 30-40 days to the processing schedule.

Typically, a developer can anticipate saving between \$20,000 and \$45,000 if an EIR is not required because the project is in a specific plan area and is covered under an existing EIR or Neg Dec for that plan area.

A Plot plan, or site plan application, is submitted to the Planning Director. A plot plan may be approved, conditionally approved, or denied by the Planning Director without a public hearing if the project does not require environmental assessment. Plot plans for residential projects intended for 25 or more multiple family residential units require a public hearing and approval by the Planning Commission.

Applications for the R-6 Zone must be filed only in connection with a subdivision application or a plot plan. The two applications are considered together and approval of the plot plan or subdivision is not final until the zone change has been granted. Additional information related to design or market area may be required by the Planning Director.

The City of La Quinta Planning Department is required to process a pre-submittal review at no

cost for a subdivision within two to three weeks, and each following submittal within two weeks (Preliminary Tract Map drawing only). Submittals for new subdivisions can be processed to the tentative tract map stage within a minimum of 7 weeks. However, the process usually takes up to three months for tentative map approval. It is possible, under particular scenarios, that it may take up to 2 years to go from Preliminary Design Tract Map application to Engineering for Final Tract Map approval, depending on the revisions required and the project proponent's compliance with City requirements. This situation imposes additional costs to the developers, which is beyond the control of the City.

It takes an average of three weeks before the plan for a residence can be approved by the City of La Quinta Building Department. This average takes into consideration standard plans which have been submitted previously as well as new plans which may require changes. Usually a new plan has to be submitted three times before it meets all building department requirements. Processing periods are not considered a constraint to the production of housing by the development community. The City processes residential projects within statutory time frames. The processing period is actually expedited for projects within Specific Plan areas as environmental review has been conducted and standards have been imposed, e.g. exactions and payment schedules, design, etc, for the entire area and in itself does not significantly impact housing construction costs.

Costs associated with the permit process may act as a constraint to the development of low-income housing. Table H-41 presents an overview of City fees for an average 1,500 square foot tract home with a 2 car garage in a low density subdivision and an average 950 square foot multi-family home with a 2 car garage. The Low Density designation allows 2 to 4 dwelling units per acre with 25 percent of the buildable land set aside for streets, sidewalks, and landscaping. The table can only reflect a fee estimate, since it is not feasible to take all possibilities into consideration. Fees can vary considerably, dependent upon whether or not improvements such as water and sewer lines, streets, curbs, or gutters exist. If the developer installs off-site improvements, the cost of these are usually added to the cost of the dwelling and passed on to the buyer.

**TABLE H-41
DEVELOPMENT FEES FOR TYPICAL SINGLE-FAMILY AND MULTI-FAMILY HOMES**

Type of Fee	Cost Per Unit	
	Multi-Family ¹	Single-Family ²
BUILDING FEES		
Construction	\$423.50	\$563.00
Plan Check (Standard Plan)	\$370.00	\$485.15
Mechanical	\$49.00	\$62.00
Fire Inspection/Plan Check	\$582.00	--
Plumbing	1 Bath = \$120.00	2 Bath = \$144.00
Electrical	\$100.00	\$124.00
SMI (Strong Motion Instrumentation)	5.20	8.23
Precise Plan (SR Zone only)	25.00	25.00
ENGINEERING FEES		
Infrastructure Fee (2.25% of valuation)	\$1,169.46	\$1,850.00
Engineering Plan Check (unfinished lot) ³	\$200	\$200
CVWD Water/Sewer Fee	\$3,025	\$3,025
OTHER FEES (location)		
School Fee - DSUSD (\$1.72/sf)	\$1,634.00	\$2,580.00
School Fee - CVUSD (\$1.72/sf)	\$1,634.00	\$2,580.00
Fringe Toed Lizard Fee (Depends on location @\$600/acre)	\$75	\$200
Fish and Game Fee (unfinished lot) ⁴		
DeMinimus	\$9.75	\$15.60
Negative Declaration	\$142.50	\$260.00
Environmental Impact Report	\$112.50	\$180.00
Art in Public Places (Total Value)	\$37.50	\$125.00
TOTAL	\$7,825.41 - \$7,958.16	\$9,406.98 - \$9,651.38
¹ Calculated on a 950 square foot unit, valued at \$51,976 for structure ² Calculated on a 1,500 square foot home, valued at \$82,262 for structure ³ This fee is contracted to outside consulting services and cannot be waived as it is a direct expense to the City. ⁴ Fish and Game fee is calculated on a hypothetical subdivision of 5 units and reflects a per unit cost. Note: Park land fees have not been calculated for this table.		

The City charges fees and assessments that correspond and pay for the cost of processing various types of applications as shown in Table H-42. In addition to City fees and assessments, developers of new dwelling areas are obligated to pay Fringe Toed Lizard fees, Fish & Game fees, Art in Public Places fees, along with infrastructure fees and other special district assessments that will impact the residential projects. Generally, Cityfees are either associated with the processing of an application or the funding of a proportional share of major facility fees associated with delivery of essential public services such as sewer, water, fire protection, storm water drainage, and parks.

While the fees charged by the City add to the cost of housing and therefore are a constraint to the provision of affordable housing, infrastructure improvements and processing must be paid for. A spot check of the City's fees compared to other

communities in the Coachella Valley indicates that in general, the City charges fees comparable to other cities, with some fees being higher and some fees lower, although specific costs and classifications of permit fees range. A comparison of the City's fees with other cities in the Coachella Valley, conducted by CVAG, 1991, identifies that La Quinta's development fees are average for the area. Although the fees identified in this study may not reflect 1994 fee structures, it helps establish the position of the City relative to other cities in the Coachella Valley, for comparative purposes only. A number of cities in the Coachella Valley charge fees which exceed those of the City significantly. If fees are not paid, then either these improvements cannot be constructed or their cost must come from other services or increased taxes. The policies of the state in mandating local requirements have specified fees as the method of financing.

**TABLE H-42
PLANNING AND DEVELOPMENT DEPARTMENT FEE SCHEDULE**

Item/Type Permit	Base Fee	Per Lot Lot Fee	Per Acre Fee
GENERAL			
Conditional Use Permit			
General	\$1695		
Mobile Home Park, RV Campground	1695	\$12 site	
Extension of Time	25		
Plot Plan			
With Public Hearing	835		
Without Public Hearing*	760		
Staff Review <i>ONLY*</i>	75		
Residential & Commercial			
W/CEQA Review	835		
W/O CEQA Review	760		
Appeal P.C. Decision	25		
Modifications			
Minor	75		
Major	380		
Time Extensions			
No Public Hearing Required	75		
Public Hearing Required	500		
Public Use Permit	1425		
General Plan Amendment	1870		\$10
Specific Plan	5165	10	
Temporary Use Permit	100		
Setback Adjustment	100		
Variance			
Filed Alone	1225		
Filed with another Permit	550		
Certificate of Mobile Home Compliance	25		
Certificate of Zoning Compliance*	2		
Change of Zone	1355		
Sign Fees			
Standard (Staff review)	80		
Standard (P.C. review)	170		
Planned (P.C. Review-dev. app.)	No Fee		
Planned (P.C. review-w/o dev. app.)	170		
Appeal (P.C. decision)	170		
Appeal (Staff decision)	90		
Modification (by Staff/Plan. Prog.)	80		
Modification (by P.C. Plan. Prog.)	170		
LAND DIVISION			
Parcel Map			
Residential	700	27.25	
Residential with waiver	915	27.25	
Minor change*	75		
Extension of Time	30		
Industrial Commercial	1590	12	10
Revised Parcel Map			
All types within 2 yrs of approval	265	25 add lot	
All types after 2 yrs of approval	425	27 add lot	
Subdivision		12	10
General	1590		
Minor Change*	125		
Extension of Time	75		
Unit Map	50/Phase		10/Phase to Road Dept.

**TABLE H-42
PLANNING AND DEVELOPMENT DEPARTMENT FEE SCHEDULE**

Item/Type Permit	Base Fee	Per Lot Lot Fee	Per Acre Fee
Revised Subdivision Within 2 yrs of approval After 2 yrs of approval	1010 1370	10 add. lot 12 add. lot	10 10
Statutory Condominium Subdivision	1630		18
Revised Statutory Condominium Subdivision Within 2 yrs of Approval After 2 yrs of Approval	1010 1370	10 add. lot	10 18 add. ac
Reversion to Acreage	200		
Lot Line Adjustment	125		
Parcel Merger*	175		
Certificate of Land Division Compliance Not associated with Parcel Map* Associated with PM*	200 50		
OTHER PERMITS OR FEES			
Agricultural Preserve Establish or Enlarge* De-establish or Diminish	400 (\$40-Owner/\$25-Contract) 400		
Surface Mining	1770		
Appeals Land Division All Others	175 (Add \$50 if road condition) 175 (Add \$50 if road condition)		
Report Review Fees EIR Fault Hazard (CEQA) Geologic Waiver Liquidification	2000 Deposit - Deposit cost basic 275 1st 10 ac - \$10 ea. add. ac max \$375 25 (Add \$225 when submitted to State) 100		
Environmental Assessment	250 + \$3/gross acre (max. \$1100 total)		
Home Occupations	35		
Items with Environment Fee Only Grading Permit	100		
Condition Changes	300		
OTHER FEES			
Infrastructure Fee Residential Commercial	2.25% of valuation, cap \$6,000 6000 per acre		
Fish & Game Fee Negative Declaration Projects County Clerk Filing Fee Environmental Impact Report Projects County Clerk filing Fee	1250 50 850 50		
Fringe Toed Lizard Fee	600 per acre		
School Fees	Per District requirements		
Art in Public Places Residential Commercial	(Ordinance does permit artwork in lieu of fee) All residential structures where project costs is in excess of \$100,000 will be charged a fee equal to the greater of 1/4 of 1% for that portion of project cost in excess of \$100,000 or \$20.00. A fee equal to the greater of 1/2 of 1% of the project costs or \$20.00.		
Park Land Fee	Land at 3 acres per 1,000 population of project. Fee equals average appraised current market value of undeveloped land in projects as determined by City Assessor (Land X Value = Fee).		

* = Permit exempt from Environmental requirements.

**TABLE H-43
COMPARISON OF DEVELOPMENT FEES IN THE COACHELLA VALLEY**

Ranking of Jurisdiction	91-92 Fees from County Survey ¹	1993 Adjusted Fees ²
Indian Wells	\$8,107	\$12,216
Rancho Mirage	\$8,058	\$9,931 ³
Palm Desert	\$7,980	\$12,089
Riverside County	\$7,549	\$11,678
La Quinta	\$7,128	\$10,399
Palm Springs	\$7,032	\$11,141
Indio	\$4,040	\$8,1490
Cathedral City	\$3,663	\$7,772

1. Fees are based on a hypothetical subdivision of 10 acres, 50 single family detached units of approximately 2,000 square feet each on 7,200 square foot lots. Each housing unit is valued at \$167,000.
2. These fees account for increases in permit fees to account for rising costs of government services and the impacts of growth and development, inclusive of the TUMF and School District fees, based on spot checks. As La Quinta does not participate in the TUMF program, this fee has not been included in La Quinta's 1993 fee category.
3. Fees are reduced as a result of a \$1.60 license tax.

Building Codes and Enforcement

The City of La Quinta has adopted the State Uniform Building (1991), Plumbing (1992), and Mechanical (1991) and Electrical (1990) Codes.

While all new construction must be in strict compliance with the codes, there are a few older homes, most of which are located in and around the Cove and Village areas, that were constructed prior to the establishment of building codes in the early 1940's. Code enforcement with respect to older homes is handled on an individual, self initiated, complaint basis. Since 1989, there have been 15 units identified for demolition in the City. The City has not made substantive amendments to the code that would adversely affect standard types of housing. Relaxation of the standards is not considered in the interest of the public health and safety. Overall, the Building Codes adopted by the City of La Quinta do not pose any special constraints on the production or cost of housing.

Environmental and Infrastructure Constraints

Development of new housing in La Quinta will primarily take place both north and south of Highway 111, with large landholdings available for development east of Washington Street. Generally, these areas currently contain large lot vacant or agricultural areas. Development of the specific plans and approved Tract maps entails conversion of vacant and agricultural lands to primarily residential uses. These uses will require adequate

water, sewer and drainage infrastructure to support the development.

The City's development pattern has not been incremental, and has "leap frogged", leaving gaps for the infill of the infrastructure and circulation systems. Public services and infrastructure are being upgraded and expanded within the City. Since 1980 major flood control programs have been funded by the City, constructed by Coachella Valley Water District (CVWD) for the protection of the Cove Area. In response to growth, two elementary schools have been completed, and a new high school will be ready for operation in the fall of 1994. The Riverside County Fire Department operates two fire stations, with a third proposed between Washington and Jefferson Streets.

As presented and discussed in detail in the 1992 General Plan MEA, the potable water system in the City is operated and administered by CVWD, which assesses new development \$1,100 per dwelling unit connection to tap into the potable water distribution system. The City currently requires a minimum water supply of 350 gallons per day for single family lots and 450 gallons per day for other types of lots. The City also requires piped water systems and service connection standards of ¾" for single family and 1" for multiple family units.

The City of La Quinta Redevelopment Agency has formed six assessment districts to improve potable water distribution facilities in the City.

The improvements within the four districts within the Cove include replacing the existing two-and four-inch distribution lines with new lines ranging in size from six to 12 inches. The improvements planned within the other two districts include the installation of six-and eight-inch potable water distribution lines. These improvements provide increased water pressure, water quality and fire safety for residents within these districts.

The sanitary sewage collection and treatment system in the City is operated and administered by CVWD, which extends service based upon approved designs and improvements constructed by the private developer. CVWD assesses new development \$1,925 per dwelling unit to provide comprehensive wastewater collection and treatment. Historically, private septic systems have been utilized to treat and dispose of wastewater, especially in the Cove. However, the recent construction of an 18-inch force main, connected to the Mid-Valley Water Reclamation Plant will relieve the reliance on the use of septic systems for individual homes.

CVWD assesses residential customers material and capacity charges and assesses commercial customers on an equivalent dwelling unit (EDU) basis. The EDU formula incorporates proposed employment uses and intensity factors into the assessment calculations. Existing wastewater treatment facilities in La Quinta include an 18-inch force main located within the right-of-way of Avenue 58, Madison Street, Avenue 54, Jefferson Street and Washington Street (see Figure 4-2, Infrastructure). Future connections into this system by existing and proposed development will foster continued development in the City without diminishing the water quality of the underground aquifer.

A series of assessment districts for sanitary sewer improvements, including four- and six-inch collection lines, have been created through the City of La Quinta Redevelopment Agency.

The City of La Quinta is served by Southern California Gas Company (SCGC). Three pressure reducing stations allow the use of two- and three-inch service lines to provide natural gas service to residential and commercial users. The existing network of natural gas service located within the City provides adequate service to the northern half of the Cove (north of Calle Chihuahua); the Washington Street Corridor and existing developed areas located to the west; the Highway

111 Corridor; the Jefferson Street Corridor; and PGA West. The Southern California Gas Company has indicated that the future supply of natural gas will meet future demand generated by additional development in the City.

Areas of infrastructure limitations may be corrected by the installation of needed sewer and water lines. There are no permanent infrastructure constraints at this time.

Major infrastructure improvements including full width streets, water and sewer mains, and storm water systems are the responsibility of the developer to install with residential development. Developers are required to provide parks or in-lieu fees as part of the residential development. When infrastructure improvements are made that benefit other properties, the subdivider is reimbursed from the area fund when other properties in the area are developed.

Redevelopment

The La Quinta Redevelopment Agency ("RDA") was formed in 1983. Project Area 1 was adopted in November, 1983. Project Area 1 encompasses approximately 17.5 square miles in the southern portion of the City and includes land designated for commercial, office, residential, retail, institutional, recreational and public use. At the time of its adoption, Project Area 1 included 2,240 dwelling units.

The Agency adopted Project Area 2 in May 1989. This Project area, covering 3,116 acres, encompasses the major portion of the City north of Avenue 50, and contains residential and commercial land uses. At the time of its adoption, the Project Area contained 608 dwelling units.

The RDA is required by law to spend 20 percent of the tax increment that it receives on low and moderate income housing programs. Health & Safety Code Section 33413(b)(2) requires that at least fifteen percent of all new and substantially rehabilitated dwelling units completed within a project area by public or private entities (persons other than an agency) must be available at affordable housing cost levels to persons and families of low or moderate incomes. Of these, 40 percent are required to be made available at affordable housing costs to Very Low income households.

The total amount of revenue available to the

Redevelopment Agency to implement affordable housing projects for the 1993-94 Fiscal Year was \$6,370,500. Because few funding sources exist, the Agency's Housing Set-Aside Fund is the major source of revenue available for implementing affordable housing projects to meet State Redevelopment Law housing requirements. The Agency has entered into agreements with non-profit and private developers to provide affordable housing opportunities in La Quinta. All programs involve new construction on in-fill lots or rental/purchase assistance for existing single family homes in the Cove. In addition, the City has entered into a contract with the Williams Development Corporation for development of 150 residential units proposed for availability to 40 Moderate, 10 Low and 100 Very Low income households, including 90 senior units and one caretaker unit in conjunction with a 5 acre park/detention basin. This project addresses two needs of the City: affordable housing opportunities and provision of public infrastructure exclusively employing housing set-aside funds. In addition, the Agency began a program in 1989 to provide direct subsidy to qualified Very Low, Low and Moderate income homeowners in assisting with the costs of property owner assessment for street improvements and the costs involved in providing sewer service.

Monitoring

There are a number of state, federal, and local programs that allow for financial assistance, loan assistance, and/or density increases for a residential development if the developer offers a certain number of units available to low and moderate income residents. The objective of the City of La Quinta and its Redevelopment Agency is to make sure that assisted units are available for the longest time possible, and that units constructed or rented under the combined programs of the Housing Element and the Redevelopment Agency continue to serve the low and moderate income individuals and families they were intended to serve. A parallel objective is the City's enforcement of Zoning Code mechanisms which provide the locations and conditions under which these affordable units can be developed and maintained. To insure compliance with the provisions of various housing assistance agreements, the Redevelopment Agency has developed a monitoring function. Monitoring is required under Section 33334.3 of the Health and Safety Code and state law further makes

provisions for the Agency to fund a percentage of monitoring activities as an allowable cost.

7.3 Opportunities for Energy Conservation

There are many opportunities for conserving energy in new and existing homes. Construction of energy efficient buildings does not lower the price of housing. However, housing with energy conservation features should result in reduced monthly occupancy costs as consumption of fuel and energy is decreased. Similarly, retrofitting existing structures with energy-conserving features can result in a reduction in utility costs. Examples of energy conservation opportunities include weatherization programs and home energy audits; retrofit to dual components or piggyback the use of evaporative coolers with air conditioning systems; installation or retrofitting of more efficient appliances, and mechanical or solar energy systems; and building design and orientation which incorporates energy-conservation considerations.

8.0 RESIDENTIAL LAND RESOURCES

To properly plan for future housing needs, undeveloped lands available for housing within existing urban boundaries have been inventoried.

8.1 Available Land Inventory

Future residential development in the City of La Quinta will take place throughout the City, primarily in areas for which specific plans and tract maps have been approved. These properties include vacant and undeveloped lands presently within the City of La Quinta that are adjacent to or within service hook-up distance from public sewer, water, and street systems. State law requires that zoning be consistent with adopted general plans. La Quinta's undeveloped lands will be zoned as part of the Zoning Update program currently underway, to an appropriate residential classification Zoning will be in accordance with the Land Use Plan, as detailed in the City's General Plan and existing Specific Plans, as well as the required specific plans for projects within the Mixed/Regional Commercial designation. Development potential may be determined based upon the maximum allowable density of each land use designation/zoning district. Infill projects throughout the City will also contribute to the City's future housing stock, particularly in the Cove and Village areas. Higher density residential

uses are permitted in areas close to employment centers, the Village and major transportation corridors. An important new housing opportunity will be provided through the Mixed/Regional Commercial designation, which allows residential development with densities up to 16 dwelling units per acre in the portions of this designation south of Highway 111 not covered by the Non-Residential Commercial Overlay.

Table H-44 identifies the existing and potential development capacity under each General Plan Land Use category for the City of La Quinta. The City has a substantial amount of vacant, developable land. As shown in Table H-44, 7,916 acres of land are designated for residential uses within City limits. Of this developable acreage, 1,919 acres are currently developed with residential uses. 1,905 acres of land currently utilized for agricultural purposes is expected to be converted to Low and Very Low Density residential uses. Approximately 4,092 acres designated for residential purposes are currently vacant, for a total of 5,997 acres of potentially vacant/underutilized land designated for residential uses. (2-1-94)

Based on the City's Land Use Plan, the City has a development potential of 31,243 dwelling units at buildout, providing for a potential increase of 22,033 units over the current 9,210 housing according to the 1994 City of La Quinta Residential Development Status Report.

The Land Use Plan provides for a mix of unit types and densities, including Very Low and Low density single family homes, Medium Density and Medium High Density single family attached and detached homes, mobile homes, and higher density multiple-family attached units. The General Plan buildout capacity assumes the potential for residential development within the Mixed/Regional Commercial and Village designations within the High Density designation, based on a proposed senior multi-family project and the potential for a major multi-family residential complex in the area not covered by the Non-Residential Overlay. Development at maximum densities, subject to state density bonus, yields additional opportunities for affordable housing at higher densities within the mixed-use designations.

A balanced inventory of housing in terms of unit type, cost, tenure and style promotes a range of housing options that are necessary to support an economically and socially diverse community. While the Land Use Plan promotes significant new growth in the City it is not to occur at the expense of the unique quality of life and community character that the City of La Quinta embodies. The majority of proposed development will occur in the Low and Medium Density residential designations, which represents 85 percent of the buildout potential. The remaining 15 percent will take place in the higher density and mixed use designations.

**TABLE H-44
RESIDENTIAL LAND USE SUMMARY**

Land Use	Existing Acres	Proposed Acres	Acres Available for Development	DU Potential
Very Low Density Residential (0-2 DU/AC)	97	1,360	1,263	2,102
Low Density Residential (2-4 DU/AC)	468	4,019	3,551	15,155
Medium Density Residential (4-8 DU/AC)	1,232	2,165	933	10,267
Medium High Density Residential (8-12 DU/AC)	85	19	<66> ²	178
High Density Residential (12-16 DU/AC) ¹	37	353	316	3,541
TOTAL	1,919	7,916	5,997	31,243

1. Assumes the potential for dwelling units within the Mixed/Regional Commercial not subject to the Non-Residential Overlay will be developed as High Density Residential.
2. The apparent loss of acreage is a result of re-assignment of developed acreage to higher density classifications.

Consideration should be given to projects which have approved Specific Plans or tentative maps, for which permits have been issued as shown in Table H-45. These projects will accommodate the majority of near term new growth on developable lands, with potential for up to 9,389 approved, permitted units.

The City has designated two Redevelopment Project areas, which together comprise the majority of the City. However, aside from vacant land resources, few developed sites are suitable for redevelopment into residential use. The majority of the existing development in the project areas is already residential. Commercially designated property is primarily located along Highway 111 in areas not well suited for residential development. Mixed use areas with residential potential within this commercial designation are included in the High Density category in Table H-44.

Since the formation of Project Area 1 in 1983, there have been a total of 3,824 privately developed units. Since its formation in 1989, there have been a total of 904 privately developed units in Project Area 2.

As stipulated by Health and Safety Code Section 33413(b)(2), 15 percent of all publicly (other than the Agency) and privately developed units within a redevelopment project area must be available at affordable housing cost levels to persons and families of low and moderate incomes. Of these units, 40 percent (or 6 percent of all units in the project area) must be made available at costs affordable to very low income households. These units may be developed on the vacant and/or undeveloped resources land as presented in Table H-44. A key component of the vacant and developable acreage quantified in Table H-44 are the number of infill parcels that are scattered primarily throughout the Cove and the Village, as well as other developed or partially developed areas of the City. The City's infill development potential has two components:

- The potential number of dwelling units that could be constructed in the Cove, which is a valuable resource for detached single family units targeted for Low and Moderate income households;
- Second units.

As of May 1, 1994, there were 1,874 undeveloped vacant lots remaining in the Cove. At an average lot size of 5,000 square feet, as originally subdivided, this provides approximately 215 acres of land designated Medium Density. To date, the City has entered into Affordable Housing Agreements with WES Development and Coachella Valley Housing Coalition (CVHC) which have completed development of 24 detached single family units available for purchase at costs affordable to 14 Very Low income households, and 10 Low income households. All 24 of these units have been constructed in the Cove, and sold to eligible homeowners with long term affordability covenants. The remaining 1,874 lots in the Cove represent an opportunity for additional, successful approaches to affordable housing consistent with the quality image and character the City wishes to maintain and enhance.

The City adopted its Second Unit Ordinance in 1992, which permits development of second units, subject to a conditional use permit, in the SR and R-1 zones. Since adoption of the Ordinance, 2 applications have been submitted and approved. The original subdivision of the Cove has resulted in the development of a number of small 50x100 lots, which generally precludes development of second units under the 60% maximum lot coverage standard. Based on past history of second unit development, combined with the smaller lot sizes in the Cove, it is anticipated that 6 to 8 second unit applications may be anticipated through the extended RHNA planning period.

Improvements to existing residential neighborhoods simultaneous with new development based on approved tentative maps, specific plans and the Mixed/Regional Commercial concept emphasize the effort to integrate future areas of the City with the existing low density, resort character of La Quinta. Where density bonus provisions are applied within any residential designation an even greater opportunity for housing affordable to Low and Very Low Income households is created. It is clear that the land resources provided by the General Plan will more than adequately fulfill the City's regional housing needs in the long term.

**TABLE H-45
DEVELOPMENT STATUS SUMMARY REPORT
APPROVED RESIDENTIAL PROJECTS**

Project	Residential Units Approved	Permits Issued	Units Remaining	Total Acres
La Quinta Cove Golf Club (Santa Rosa Cove) - Spec. Plan #121-E Includes Tracts #14496, 21120, 18765 and 23813, 25237 & 26251	916	449	467	638
Duna La Quinta Specific Plan No. 83-001 Condos, Single-Family & Apartments Includes Tracts #20158, 20218, 18767, & 25389	861	150	711	180
PGA West-Landmark Land/Sunrise Co. Specific Plan No. 83-002 Condos, Single-Family & Apartments (See PGA West related Tract listing)	5,000	1,551	3,449	1,685
Oak Tree West Specific Plan No. 85-006 Tract #24890 - JM Peters	2,245	38	2,207	1,025
Rancho La Quinta, Specific Plan No. 84-004	1,500	7	1,493	693
Palm Royale Condos, Tract #18915	354	296	58	60
Laguna De La Paz, Tract #20052	396	298	98	100
Acacia Homes, Tract #23268	201	118	83	48
Triad Pacific Development Tract #23269 La Quinta Highland and La Quinta Vistas	255	195	60	72
Cactus Flower, Tract #22982	142	134	8	40
Starlight Dunes, Tract #23773	154	47	107	45
Quinterra, Tract #23913	116	18	98	33
Topaz - GWR Development, Tract #23935	196	45	151	50
Deane Homes, Tract #23971	228	32	196	70
Lake La Quinta, AG Spanos/Wilma Pacific Tract #24230/26152	281	23	258	151
Rancho Ocotillo-Williams Development Tract #24517	91	52	39	27
Williams Development, Tract #24208	68	19	49	20
Chateau Estates - Painted Cove Tract #25429	83	10	73	36
Chateau Estates - Bajada Tract #26016	18	6	12	5
Strother Enterprises - The Orchard Tract #26524	44	3	41	38
Qualico Development, Tract #26769	14	2	12	20
TOTALS	12,882	3,493	9,389	5,036

9.0 PRESERVATION OF ASSISTED RESOURCES

In 1989, the Government Code was amended to include a requirement that localities identify and develop a program for their Housing Elements for the preservation of affordable multifamily units assisted under various federal, state and local programs. In the preservation analysis, localities are required to provide an inventory of assisted, affordable units that are eligible to convert to market rate within ten years. An estimate of the cost of preserving/replacing the units is also conducted as part of the analysis.

The California Housing Partnership provides an inventory of federally subsidized rental units at risk of conversion. The 1993 Update identifies low income rental units subject to termination of federal mortgage and/or rent subsidies by 2010. This resource identifies 6 rental units in La Quinta which are eligible for termination in 2008. These six rental units were constructed by Sanfric Development for the Desert Family Housing Program under HUD Section 8 New Construction Rental Assistance Program. These 6 units are among 22 such assisted single family detached rental units located in the Cove. As these units are detached single family resources, the analysis required by recent legislation is not applicable to these projects. On June 16, 1992, the City Council adopted Resolution No. 92-59, which stipulates that there are no Federally assisted multi-family units in the City which are at risk of termination and conversion to market-rate housing, and that legislative amendment to Housing Element Law requiring this analysis is not applicable to the City. The resolution states that any units developed by Desert Family Housing which may be reported as "at-risk" has been addressed and analysis has been completed. For informational purposes, the Section 8 resources in the City and their preservation is briefly described.

Contracts were signed directly with HUD for low interest construction loans for single family detached residential units to be offered for rent as affordable housing. Under this program, the federal government pays the difference between a tenant's rent contribution (10 percent of monthly income) and the fair market rent (FMR) set by HUD for the area. Tenants eligible to occupy Section 8 units are Very Low income households, or households earning less than 50 percent of the County median income.

The Section 8 contracts for these units are valid for an overall period of 20 years. The earliest date of subsidy termination was identified as March 1993 for two of the units and May 1993 for the remaining 4 units. At that time, the property owner could have opted out of the Section 8 Program, or renew its contract for another 5 years. The primary incentive for Section 8 property owners to opt-out is the higher rent that could be achieved for the Section 8 units at market value. According to discussions with the Sanfric Development Corp., and HUD, the contracts have been renewed and will continue to be renewed.

10.0 GOALS AND POLICIES

The City of La Quinta's official development policies related to housing are presented in this section. In the context of the General Plan, development policies include goals, objectives, policies and standards based on the following definitions:

GOAL: A concise statement which describes a desired condition to be achieved. A goal is generally not quantifiable, time-dependent or suggestive of specific actions for achievement. Goals are expressed as ends, conditions or states.

Objective: A specific end, condition or state that is an intermediate step toward attaining a goal. An objective should be achievable and, when possible, measurable and time specific.

Policy: A specific statement which guides decision-making. A policy is clear and unambiguous and is based on the General Plan's goals and objectives, as well as analysis of data.

Standard: A rule or measure establishing a level of quality or quantity which must be complied with or satisfied. Standards define the abstract terms of goals, objectives and policies with concrete specifications.

These development policies are established to guide the development, redevelopment and preservation of a balanced inventory of housing to meet the needs of present and future residents of the City. Development policies by topical area as discussed in the Issue portion of this Element are presented in the following pages.

It is the goal of the City of La Quinta to ensure that all residents of the City have decent, safe, sanitary and affordable housing regardless of income. This statement guides the City's actions with respect to housing. The specific goals, objectives and policies detailed in this section provide the framework for the City's overall housing program. The specific objectives and policies included in this Element are intended to provide a wide variety of programs and tools to implement the City's general goals. Actual programs will be implemented at the discretion of the City in order to meet established goals.

GOAL 1:

Provision of a diversity of housing opportunities that satisfy the physical, social, and economic needs of existing and future residents of La Quinta.

Objective 1.1

Maintain a sufficient inventory of developable land at varying densities to accommodate the existing and projected needed housing supplies.

Policy 1.1.1

Focus growth within existing City boundaries until it is necessary to pursue annexation of areas within the Sphere of Influence to provide necessary additional land to accommodate housing needs.

Policy 1.1.2

Review and update the La Quinta General Plan periodically to ensure that growth trends are addressed.

Policy 1.1.3

Continue to pursue opportunities for development of affordable housing in lower density land use designations. Consider creative forms of housing development, including: small lot single family subdivisions; mobile home parks that allow owner-occupied spaces; senior citizen housing developments offering various degrees of care and assistance; mixed-use; and PUDs geared toward older individuals without children.

Policy 1.1.4

Review, and revise as necessary, the City's zoning classifications to ensure consistency with, and implementation of the General Plan Land Use designations.

Policy 1.1.5

The City will adopt the ordinance required by State Government Code Section 65915 which will provide a 25% density bonus and one additional incentive, or financially equivalent incentive for housing developments with affordable housing components, targeting developments in the Mixed/Regional Commercial and Urban Mix designations, as well as all other General Plan Land Use designations, providing:

- 1. 20% of the units for lower income households;*
- 2. 10% of the units for Very Low income households; or*
- 3. 50% of the units for senior citizens.*

Policy 1.1.6

Examine potential funding sources, such as CDBG, Redevelopment Affordable Housing Set-Aside and HOME funds, for the purchase of land banking sites.

Policy 1.1.7

Utilize the R-6 Affordable Housing Incentive zone to plan for affordable housing projects, providing for densities which may exceed the density permitted for standard projects by the Land Use Element based on availability of infrastructure. Review and amend the R-6 Zone as necessary to promote ease of application as part of the Zoning Code Update process. Projects in the R-6 Zone are to receive priority processing.

Policy 1.1.8

Require analysis of the availability of employee housing necessary to support development, as part of a Commercial Specific Plan application.

Objective 1.2:

Develop Medium, Medium High and High Density residential uses in the appropriate designations as well as in locations within the Mixed/Regional Commercial and Urban Mix designations that enhance creative site planning, promote the mixed-use concept where applicable, provide opportunities for affordable and/or employee housing, facilitate the efficient use of public facilities, and support alternative transit modes.

Policy 1.2.1

Prepare an implementing mechanism as part of the Zoning Code review and update for the Mixed/Regional Commercial designation which establishes development density standards for

residential development at varying densities up to 16 dwelling units per acre for areas not subject to the Non-Residential Overlay, in accord with provisions established in Land Use Element Policies 2-3.1.6., 2-3.1.7 and 2-3.1.8. Establish targets for the percentage of the total site area not subject to the Non-Residential Overlay to be devoted to residential use.

Policy 1.2.2

Institute shared parking in mixed-use areas as part of the Highway 111 Specific Plan to implement the Mixed/Regional Commercial designation, and reduced parking requirements for assisted housing devoted to Low and Very Low income households, and/or seniors.

Policy 1.2.3

Require a mixture of diverse housing types and densities in new developments guided by Specific Plans, around the Village and within the Mixed/Regional Commercial area to enhance their people orientation and diversity.

Policy 1.2.4

In the Urban Mix category, require all new buildings to be two-story. The Redevelopment Agency will consider negotiation of incentives to provide affordable units on the second story, over commercial or office structures in order to achieve the "Urban Mix" concept. Priority will be given to senior housing and single room occupancy (SRO) units, and to affordable units for Village area employees.

Policy 1.2.5

Amend the Zoning Code as necessary to provide for flexibility in site planning to promote more intense and/or cost effective development where appropriate.

Policy 1.2.6

Continue to maintain the City's Mobile Home Park zone as an affordable housing resource, and emphasize the potential of manufactured homes on permanent foundations as a cost effective alternative to the traditional single family detached home, by modifying the design requirements. If received, process conditional use permit applications for manufactured homes.

Objective 1.3:

Encourage and participate in efforts designed to achieve economies and efficiencies which will facilitate the production of quality, more affordable housing.

Policy 1.3.1

Support the use of innovative building techniques and construction materials for residential development.

Policy 1.3.2

Enhance existing neighborhoods which presently provide affordable housing resources, and new neighborhoods where appropriate with drainage, lighting and landscape amenities, and parks and recreation areas.

Policy 1.3.3

Require that currently undeveloped areas designated for multi-family and/or high density residential uses be served by natural gas. The City will consider the subsidy of natural gas hook-up fees as an incentive to development of affordable multi-family development on a case-by-case basis. Encourage the extension of natural gas service in the Cove.

Policy 1.3.4

Provide that new housing be constructed in accordance with design standards that will ensure the safety and integrity of each housing unit and provide for the development of attractive and functional housing.

Policy 1.3.5

Direct new housing development to viable areas where essential public facilities can be provided and employment opportunities, educational facilities, and commercial support are available.

Policy 1.3.6

Through the use of Specific Plans, Tract Map review, and zoning standards, encourage residential development to be designed to preserve and enhance important environmental resources, maintain important areas as open space, and provide access to alternative transit systems.

Policy 1.3.7

Manage neighborhood environmental factors such as traffic flow, school locations, parks, and open spaces, and other public uses to stabilize and upgrade neighborhoods and dwellings.

Goal 2:

Removal or mitigation of constraints in the maintenance, improvement and development of affordable housing, where appropriate and legally possible.

Objective 2.1

When feasible and necessary, consider the reduction, subsidy or deferral of development fees to facilitate the provision of affordable housing.

Policy 2.1.1

The Agency will consider utilizing the Affordable Housing 20% Affordable Housing Set-Aside Fund to provide the following incentives which may be applied to an affordable housing project:

1. Land cost write downs;
2. Subsidies for mortgage interest rates;
3. Write down the maximum purchase price of the unit;
4. Lease of City/Agency owned property at low rates;
5. Provision of off-site improvements.
6. Provide subsidies for compliance with development standards

Policy 2.1.2

The City will consider paying the following fees as an incentive and as a relief from governmental constraints to build affordable housing:

- ~~1. Fish and Game Fees~~
2. Fringe Toed Lizard Fees
3. School Assessment Fees
4. Water and Sewer Hook Up Fees

Policy 2.1.3

The City will consider waiving City imposed fees for affordable housing projects. These fees include:

1. Infrastructure Fee
2. Parkland Fee
3. Art in Public Places Fee
4. Permit processing fees (Planning and engineering with the exception of fees for services which are contracted out)
5. Building inspection and plan check fees.

Objective 2.2

A reasonable processing time of applications for new construction or rehabilitation of housing.

Policy 2.2.1

Prioritize development processing of low and moderate income, and senior housing projects.

Policy 2.2.2

The City will "fast track" the review of all affordable housing projects. The fast track review process ensures all applicants of affordable

housing that the City will have completed all reviews within six months.

Objective 2.3

Periodic review and revision of City development standards to facilitate high quality affordable housing.

Policy 2.3.1

The City will consider establishing a program to subsidize (subject to negotiation), the incremental increase in the cost of providing tile roofs and two car garages as compared to standard composition roofs and carports in the SR zone.

Policy 2.3.2

The City will consider relaxing the development standards for affordable units for purchase which are factory built, or mobile homes on permanent foundations, in the sphere of influence area south of Avenue 58, west of Monroe. Requirements for unit size, roofing material, fencing and on-site parking will be modified or subsidized to achieve affordable units for sale.

Policy 2.3.3

The City will consider adopting an ordinance which provides density bonuses for three and four bedroom unit projects.

Policy 2.3.4

As part of the Zoning Code update process, permit lower parking standards for assisted housing devoted to Low and Very Low income persons and senior projects, and within the R-6 Zone.

Policy 2.3.5

As part of the zoning code update process, allow shared parking in commercial and residential mixed-use projects based on ULI's shared parking standards and locally adopted data for residential developments located within the Mixed/Regional commercial and Urban Mix designations, where it can be demonstrated that the uses do not have conflicting peak parking demands.

Policy 2.3.6

Continue to waive or subsidize compliance cost the minimum unit size as established per the Compatibility Ordinance for single family unit housing projects affordable to Very Low, Low and Moderate income households, and senior projects.

Policy 2.3.7

Review, as part of the Zoning Code update, the issue of minimum unit size as stipulated in the

Compatibility Ordinance, as it applies to standards for manufactured homes on permanent foundations as stipulated in Section 9.220.030 of the Zoning Code.

Policy 2.3.8

Review minimum unit size regulations and standards for second unit development during the Zoning Code update process. Consider revising the Code to permit smaller units for senior and/or affordable housing opportunities, and for units proposed under the R-6 Zone.

Objective 2.4

Promote energy conservation activities in all neighborhoods.

Policy 2.4.1

Comply with all adopted Federal and State actions to promote energy conservation.

Policy 2.4.2

Promote public awareness of the need for energy conservation.

Policy 2.4.3

Promote development of public policies and regulations that achieve a high level of energy conservation in all new and rehabilitated housing units.

Policy 2.4.4

Encourage maximum utilization of federal and state programs which assist homeowners in providing energy conservation measures.

GOAL 3:

Affordable housing for all households with special housing needs and economic segments of La Quinta.

Objective 3.1:

Promote a variety of housing opportunities that accommodate the needs of all income levels of the population, and provide opportunities to meet the City's fair share of low and moderate income housing.

Policy 3.1.1

The City shall strive to meet the proportions of units indicated in the Southern California Association of Governments (SCAG) 1988 RHNA (206 Very Low income, 200 Low income and 231 Moderate income) through subsidy, assistance or new construction.

Policy 3.1.2

Require maintenance of new affordable housing projects within the City through affordability covenants between the project proponent and the Redevelopment Agency.

Policy 3.1.3

In compliance with California Community Redevelopment Law, Health and Safety Code Section 33413, ensure that a minimum of 20 percent of all residential units assisted, subsidized or constructed by the Redevelopment Agency within the Redevelopment Project Areas are affordable to Low and Moderate income households. Of this proportion, 40 percent are to be targeted for Very Low income households.

Objective 3.2:

Develop and implement regulatory actions that will advance the production of units affordable to low- and moderate- income households.

Policy 3.2.1

Consider provision of incentives for the development of second units, such as fee waivers or development standard waivers, and establish a program to inform homeowners and developers of the opportunity to provide second units.

Policy 3.2.2

Consider the adoption of an inclusionary housing program that establishes affordable (for Very Low, Low and Moderate income) housing objectives for new residential development. The program should provide incentives (as identified in Goal 2) to the private housing industry in order to meet these objectives.

In conjunction with the inclusionary requirement, the City may consider the establishment of developer fee in lieu of a targeted number of affordable housing units.

Policy 3.2.3

Consider, in conjunction with the inclusionary housing program, allowing transfer of affordable housing "credits" between projects which exceed the inclusionary requirement for affordable units to projects which fall below the inclusionary requirement.

Policy 3.2.4

Consider granting additional density over the 25 percent State Density Bonus to developers who agree to restrict units beyond the thirty year period, where a minimum of 20 percent of units

proposed are available to Very Low income households, or where 30 percent of the units are for lower income households.

Objective 3.3:

Support innovative public, private and non-profit efforts in the development of affordable housing, particularly for the special needs groups.

Policy 3.3.1

Continue to stimulate private developer and non-profit entity efforts in the development and financing of Low and Moderate income housing, utilizing the Redevelopment Set Aside Housing Fund to partially support the project, backed by development agreements stipulating affordability covenants for a minimum period of 30 years.

Policy 3.3.2

The Redevelopment Agency should facilitate discussions between developers and local banks and encourage the banks to meet their obligations pursuant to the Community Reinvestment Act providing favorable financing to developers involved in projects designed to provide Low and Moderate income housing opportunities.

Policy 3.3.3

Consider pursuing a program through the Redevelopment Agency to purchase affordability covenants on existing multi-family units, subject to restrictions that the affordability covenants would be in effect for not less than 30 years, and that 50 percent of the units would be affordable to Very Low income households.

Policy 3.3.4

Monitor the Single Family Mortgage Revenue Bond program and advertise its availability if funding becomes available. Consider support for bond financing of multi-family projects by the Redevelopment Agency, where appropriate, for projects where 20 percent of the units developed are affordable to Low and Very Low income persons.

Policy 3.3.5

Consider supporting the use of Low Income Tax Credits by the Redevelopment Agency, where appropriate, to create a financial incentive for long-term developer compliance with housing affordability restrictions.

Policy 3.3.6

Encourage non-profit sponsors to make application for HUD Section 202 allocations for

construction of rental housing for seniors and the handicapped, and take all actions necessary to expedite processing and approval of such projects.

Policy 3.3.7

The Redevelopment Agency should maintain a list of mortgage lenders participating in the California Housing Finance Agency Program.

Objective 3.4:

In order to create affordable housing opportunities, the City will pursue a variety of forms of private, local, state and federal assistance to support development or purchase/rental of affordable housing.

Policy 3.4.1

Continue to participate in the Riverside County Mortgage Certificate Program designed to assist Low and Moderate income first time homebuyers.

Policy 3.4.2

Monitor the availability of funds in the County's CDBG Housing Loan Fund program, to assist Non-profit organizations in expenditure of development fees or infrastructure improvements.

Policy 3.4.3

Continue cooperation with the Riverside County Housing Authority to provide Section 8 rental assistance to eligible tenant households, and encourage expansion of the program by removing infrastructure constraints to eligibility, as feasible.

Policy 3.4.4

Apply for HOME funds for new construction and acquisition of land when Notices of Funding Availability (NOFAs) for funding are issued through the Riverside Urban County Program in which the City participates.

Policy 3.4.5

Investigate the feasibility of participating in the County of Riverside First Time Homebuyer Program for Low and Moderate income households through the HOME program. Publicize to potential homeowners the availability of the HOME funded First Time Homebuyers Program through the Riverside County.

Policy 3.4.6

Provide support to the California Housing Finance Agency (CHFA) program used for the construction of new owner occupied units under the

Redevelopment Agency in conjunction with Non-Profit Organizations and/or private developers.

Policy 3.4.7

Continue to enter into agreements with the Coachella Valley Housing Coalition (CVHC) non-profit organization to offer sweat equity programs as an option for owner occupied housing for Low and Moderate income households. Consider implementing a program to offer shared equity programs with local non-profits.

Policy 3.4.8

Monitor the availability of funding for the State Family Housing Demonstration Program for deferred payment loans to decrease construction and operating costs for new affordable rental or cooperative housing that provides on-site support services for Very Low income households, as a source of employee housing.

GOAL 4:

Conservation and improvement of the quality of the existing housing stock and the neighborhoods in which it is located.

Objective 4.1:

Monitor the quality of the housing stock, on a five year basis, primary targeting areas south of Calle Tampico and west of Washington Street, to maintain an inventory of conditions for all housing units in these areas.

Policy 4.1.1

Identify substandard housing units in the City and assist homeowners in applying for rehabilitation assistance from the County's Home Improvement Program, or other available resources.

Policy 4.1.2

Maintain a code enforcement program to ensure building safety and integrity of residential neighborhoods. Enforce the building code through issuance of a permit prior to construction, repair, addition to, or relocation of any residential structure.

Policy 4.1.3

Investigate the feasibility of establishing a Code Compliance Rehabilitation program using Redevelopment Affordable Housing Set-Aside Funds for homeowners who have been cited for minor code violations who do not have sufficient income (less than 80% of County median) to repair the deficiencies without assistance.

Policy 4.1.4:

Remove all unsafe, substandard dwellings which cannot be economically repaired.

Objective 4.2:

Develop sound new housing on vacant land within existing neighborhoods which have the necessary service infrastructure.

Policy 4.2.1

Review residential development plan proposals to ensure that new construction is in accordance with design standards that will ensure the safety and integrity of each unit, and compatibility with the character and scale of the existing neighborhood.

Policy 4.2.2

Support actions which foster and maintain high levels of owner-occupancy.

Policy 4.2.3

Continue to enter into agreements with non-profit organizations and developers for the development of single family detached ownership units in the Cove, at prices affordable to Low and Moderate income households.

Policy 4.2.4

Continue to implement the Sewer Assessment/Hook Up Fee Subsidy Program to qualified homeowners.

Objective 4.3:

Support and encourage public and private housing rehabilitation assistance efforts in neighborhoods where such action is needed to insure preservation of the living environment.

Policy 4.3.1

Make available an inventory of, and facilitate utilization of all federal and state programs which can assist lower-income homeowners in rehabilitation efforts to properly maintain their units. Publicize the availability of the Home Improvement Program administered through Riverside County, for low interest loans to qualifying homeowners.

Policy 4.3.2

Establish a Tool Lending Program and/or encourage Self-Help Neighborhood Improvement Programs. Promote public awareness of the need for housing and neighborhood conservation through advertising of the availability of home repair information and tool lending.

Policy 4.3.3

Monitor the availability of funding for the California Housing Rehabilitation Program - Owners (CHRP-O) for funds to assist low income homeowners with housing rehabilitation, and the California Housing Rehabilitation Program-Rental funds for rental rehabilitation, should additional funding become available.

Policy 4.3.4

Consider allocation of a portion of the Redevelopment Affordable Housing Set-Aside Fund or CDBG funds to the Riverside County Housing Authority to administer the Senior Home Repair Program, or evaluate establishing a City administered Senior Home Repair program and a Deferred Loan program for rehabilitation of single family owner-occupied households in order to improve deteriorating residential neighborhoods in the Redevelopment Project areas.

Policy 4.3.5

Remove blighting influences from existing neighborhoods through such programs as flood prevention projects, extension of infrastructure, and provision of properly sized pipelines for water, sewer, gas and other utilities.

Policy 4.3.6

Consider utilizing available CDBG program and Redevelopment Affordable Housing Set Aside Funds to acquire existing housing for rehabilitation purposes to be made available to Very Low and Low income households.

Policy 4.3.7

Support the County of Riverside Department of Community Action (DCA) in providing utilities and weatherization assistance.

Policy 4.3.8

Provide technical assistance to mobile home park residents in pursuing Mobile Home Park Assistance Program (MPAP) funds, on a request basis.

Goal 5:

Equal housing opportunity for all residents of La Quinta, regardless of race, religion, sex, marital status, ancestry, national origin, color or handicap.

Objective 5.1:

Encourage and support the enforcement of laws and regulations prohibiting discrimination in

lending practices and in the sale or rental of housing.

Policy 5.1.1

Revise existing Zoning Code ordinances as necessary during consistency with General Plan review to ensure that none discriminate against any residential development or emergency shelter because of method of financing, race, sex, religion, national origin, marital status, or disability of its owners or intended occupants.

Policy 5.1.2

Support the activities of the Fair Housing Program of the County of Riverside.

Objective 5.2:

Remove regulatory constraints that impede equal opportunity to housing in the City.

Policy 5.2.1

Encourage housing design standards that promote the accessibility of housing for the elderly and disabled.

Policy 5.2.2

The City will consider the provision of a 20% density bonus for three and four bedroom unit projects to alleviate overcrowding.

Objective 5.3:

Assist in the provision of housing for residents with special needs.

Policy 5.3.1

Develop a directory of services and information to provide referral services to community organizations and service providers that address special needs groups.

Policy 5.3.2

Educate the public on the issue of fair housing practices by running periodic articles in the City newsletter.

Objective 5.4:

Encourage and consider supporting local private non-profit groups and the Riverside County Housing Authority in addressing the housing needs of the homeless and other disadvantaged groups

Policy 5.4.1

Allow transitional facilities and emergency shelters in high density residential portions of Mixed/Regional Commercial areas. Development of

these facilities will be subject to conditional use permit approval.

Policy 5.4.2

Consider appropriating no more than 1% of the Redevelopment Affordable Housing Set-Aside fee to expand the local capability to address the needs of the homeless (particularly families) in the lower Coachella Valley, based on the number of homeless originating in the City of La Quinta.

Goal 6:

Coordination among agencies that address housing issues.

Objective 6.1:

Coordinate with governmental agencies responsible for the administration of state regional and federal housing programs.

Policy 6.1.1

Devote staff and other resources towards administering and monitoring housing issues, legislative requirements and federal, state and local housing assistance programs.

Policy 6.1.2

Coordinate planning and growth projections with Riverside County governmental agencies, SCAG CVAG and the Riverside County Housing Authority.

Policy 6.1.3

Utilize the Programs Table as a monitoring program and report annually to the City Council on the progress in implementation of programs. Monitor the implementation of affordable housing programs affiliated with Redevelopment Plan projects, the Mixed/Regional Commercial projects developed under a Specific Plan or development plan, and any multi-family projects with low income unit assistance which might be developed.

Policy 6.1.4

Monitor the affordability covenants and associated affordability requirements resulting from provisions in the housing element.

Objective 6.2:

Comply with all adopted Federal and State actions which will create a positive, stable climate for housing production.

Policy 6.2.1

Monitor the introduction of county, state and federal housing programs and evaluate the potential usefulness of these programs to La Quinta residents. Where appropriate, facilitate the use of county, state or federal programs which can assist in development of new housing consistent with identified City-wide housing needs and adopted local plans and programs.

11.0 HOUSING PLAN

The Housing Action Plan identifies specific actions that the City will take in implementing the goals and policies of this element. Pursuant to State Law, the Housing Action Plan for La Quinta must be designed to accomplish the following:

- Identify and Provide adequate sites to achieve a variety and diversity of housing.
- Facilitate the development of affordable housing.
- Address, and if necessary, remove governmental constraints.
- Conserve and improve existing affordable housing stock.
- Promote equal housing opportunity.

The Housing Action Plan programs are organized according to the above issue areas. Included in each program is a description of its primary components and a planning period objective; more focused discussion is provided where the City of La Quinta has experience with a particular program.

The planning period objective establishes a benchmark against which program implementation efforts for each of the housing programs can be measured. In some cases, this objective is simply a continuation of current implementation efforts. However, a number of new objectives are provided in conjunction with new housing programs.

A Housing Plan Summary Table H-45 follows the programmatic descriptions. The matrix summarizes the intent of each program and identifies its objective, funding source, agency responsible for implementation and time frame. This format provides a quick reference for document users, and facilitates evaluation of the Housing Action Plan for the next Housing Element cycle which shall take place in the period of 1996 to 2001.

11.1 Provision of Adequate Housing Sites

The provision of adequate housing sites is central to satisfying the housing need of all segments of the community. The City of La Quinta must provide adequate sites for the construction of 1,262 housing units through 1996 as determined by the 1988 SCAG Regional Housing Needs Assessment. The provision of adequate sites is a key function of the Land Use Element and the Zoning Ordinance.

Land Use Element/Zoning Regulations

The Land Use Element of the General Plan and the Zoning Code provide the planning and regulatory framework for potential development of adequate sites. A variety of residential development is possible in the City, ranging in average density from 2 units per acre for lands designated Low Density to a targeted 16 units per acre in the High Density and Mixed/Regional Commercial categories. If the proposed density bonus is utilized, greater residential densities may be achieved.

The General Plan establishes land designated for residential growth. These acreages include vacant and undeveloped lands presently under agricultural use within the City of La Quinta that are adjacent to or within service connection distance from public sewer, water and street systems. The City will encourage in-fill development.

As described in the Land Use Inventory Section, the La Quinta General Plan provides for an increase of 22,033 dwelling units under General Plan buildout, inclusive of potential within the Regional/Commercial and Urban Mix designations. This is more than adequate capacity to fulfill the City's regional housing needs. However, due to the long term nature of the buildout, only land which has an approved specific plan or tentative map for which permits have been pulled, vacant infill parcels in the Cove, and projects which have developer agreements or approvals with the City are used to determine available land resources for the Housing Plan for the 1989-1996 planning period.

The City has a remaining vacant land capacity for 316 acres at densities targeted at 16 units per acre in the High Density Residential and Mixed/Regional Commercial categories, which offer potential sites for Very Low and Low income residential projects. Assuming that there are 481 units currently developed in the High Density designation, (based on the DOF figures for multiple family units) an additional 3,060 units could be achieved. However,

DOF reports multiple family units according to unit type, not density. Many of these 481 units are actually condominiums developed under the low Density Residential Designation in PGA West. Therefore, additional High Density potential exists. The City will strive to ensure that the acreage, and resulting units are developed at densities sufficient to assist in the fulfillment of Very Low and Low income needs. This commitment may entail granting a 25 percent density bonus and one incentive of equivalent financial value to any residential developer who agrees to make 25 percent of the proposed units affordable to households at 80 percent of the median income (Low category) or 10 percent of the units affordable to households at 50 percent of the median income (Very Low).

Historically, single family detached units in the Cove and the Village, built at an average net density of 7.5 dwelling units per acre have provided housing that is affordable to Low and Moderate income households. Based on annual trends, approximately 143 units are developed per year in the Cove. Within the planning period, up to 1,002 units may be developed in the Cove, a portion of which may be considered affordable to a family of four within the HUD limits for the Moderate income category.

Given the gap in affordability in La Quinta, the City and the Redevelopment Agency will need to further assist in the development of affordable housing through programs set forth in the Housing Element. The City is currently preparing a Redevelopment Set-Aside Fund Housing Compliance Plan in conformance with this Housing Element to better identify where resources are most needed and what resources will be sought and utilized. In addition to available vacant acreage and potential to increase densities through the density bonus program to provide affordability, Very Low-income units are also provided through the use of Section 8 Certificates/Vouchers and Agency assistance programs. Application for the R-6 zone for affordable ownership housing projects with density incentives based on the availability of infrastructure is also recommended. The use of manufactured housing for these R-6 projects, subject to design controls as stipulated in Section 9.220 of the Zoning Code, should be evaluated. The City will maintain the Mobile Home Park (R-T) zone as an affordable housing resource. Look at allowing higher densities in unannexed sphere areas.

The Zoning Code can provide regulatory incentives for development of Low and Moderate income housing. Density is considered a necessary component in providing for affordable housing. As part of the Zoning Code Update process, the Code will be amended to reflect the Land Use designations of the General Plan, and, as recommended, to include provisions to implement the Mixed/Regional Commercial land use designation through development and design standards, which may require a specific plan or other development plan. These standards will reflect a focus on unique and creative development that promotes integration of commercial, retail, office, service, and residential uses in the areas not subject to the Non-Residential Overlay. Diversity of housing at densities up to 16 du/ac, subject to application of state density bonus provisions for inclusion of housing affordable to Very Low, Low and Moderate income households, is one factor to be incorporated into the performance standards. The implementing mechanism for the Mixed/Regional Commercial Designation should provide flexibility in height and density standards, as well as setbacks and parking requirements to achieve the affordable housing objective. The City may evaluate an approach for a development application for a manufactured housing tract with special provisions to reduce costs of the lot and units which would be accommodated under an application for R-6 zoning.

It is recommended that the City consider amendment of the Zoning Code to permit a smaller unit size and reduced standards for mobile homes on permanent foundations and units in the R-6 zone. Application of a density bonus in all residential designations, with particular emphasis in the High Density residential and areas which permit mixed uses is recommended. In addition, the parking standards should be modified to institute shared parking in the M/RC designation, and that the requirement for 2.5 spaces for 2 bedroom multi-family and senior units be reduced for housing devoted to seniors and very low and low income households.

Inclusionary Zoning Ordinance Program in Redevelopment Project Areas

It is recommended that the City consider adopting an inclusionary affordable housing ordinance. Affordable housing development would be targeted to residential uses within the Mixed/Regional Commercial designation, within the High Density designation, within PUDs; and for Specific Plan

areas, but would be applicable on a City-wide basis. The inclusionary requirement would apply to development applications where approvals have not yet been granted or where approvals have expired. The program would require that a proportion of all units approved for any multi-family project, mixed-use area permitting residential uses, specific plan (residential) or PUD be affordable for Very Low and Low income households. The minimum recommended proportion required for non-Agency development is 15 percent, per Redevelopment Law, although a higher percentage can be required. This program should be augmented with incentives to developers to promote housing development, such as, but not limited to: density bonuses; "extra" density bonus provisions; Affordable Housing Credits; write down of land costs; leasing of City owned land; flexibility in design standards and development regulations; Agency assistance in funding off-site improvements and infrastructure; streamlined development review process; and development fee modifications.

Sites for Emergency and Transitional Shelters

The homeless population refers to persons lacking consistent and adequate shelter. Homeless persons can be considered permanent residents (those remaining in the area year-round) or transient. Emergency and transitional shelters can help to address the needs of the homeless. Emergency shelters provide a short term solution to homelessness and involve limited supplemental services. Transitional shelters, in contrast, are directed at removing the basis for homelessness. Shelter is provided for an extended period of time, and is combined with other social services and counseling to assist in the transition to self-sufficiency. Although there are no facilities located in the City, the City allows for transitional /emergency shelters in the Mixed/Regional Commercial designation. The City is evaluating the appropriation of up to 1 percent of the Affordable Housing Set-Aside Fund to the Riverside County Housing Authority to help support existing facilities in the lower Coachella Valley to address the needs of the homeless.

Landbanking

Landbanking is the acquisition of land by public agencies in anticipation of future development. This technique serves as a hedge against speculation and inflation as it secures land for affordable housing, until further resources are

available for their development. Where development of the land is not feasible, the local agency can sell the land at market rate, and capture the increase in value for such public uses, i.e. promote low- and moderate- income housing in the community.

Landbanking can be conducted with undeveloped or developed property. Sites containing dilapidated units that should be cleared for public safety reasons are particularly well suited for land banking, as it allows for the maximization of uses within existing residential neighborhoods. Careful planning of land banking activities throughout the City prevents the concentration of low-income housing in any one area. Local revenues and Community Development Block Grant funds can be used in landbanking programs. Other sources include the Affordable Housing Set-Aside Fund, developer fees, and the HOME fund. CDBG funds may be used only to acquire existing structures for rehabilitation and sale to low income households. Given the limited availability of CDBG funds, this is not a likely funding resource. Restrictions on use, resale and development, can be built into development conditions in the disposition or development of the property. The City currently utilizes this approach to support its agreements with non-profits for the development of "sweat equity" affordable housing.

Density Bonus Ordinance

Pursuant to State Law, if a developer allocates: at least 20 percent of new residential units for lower-income households; 10 percent of the units for very low-income households; or 50 percent of the units for senior citizens, the City must either a) grant a density bonus of 25 percent in addition to one regulatory concession or b) provide financially equivalent incentives. The minimum reservation period for density bonus units is 10 years.

The City of La Quinta will begin to offer density bonuses of at least 25 percent or more to builders who meet the minimum reservation period, although longer reservation periods will be sought. In addition, the City will give priority processing to projects qualifying for the density bonus. The City should also adopt density bonus provisions to develop rental units with three or more bedrooms.

11.2 Provision for Very Low, Low and Moderate Income Housing

A high correlation between income deficiencies and housing problems (affordability and maintenance) indicates the need to develop the means to assist low-and moderate-income households with their housing needs. Although the limited resources of government subsidized housing programs and will continue to be instrumental in improving the living conditions of those households, other actions are also essential to deal with these needs.

In addition to the challenge of meeting current housing needs, provision must also be made to satisfy the housing needs of the future population. Production is primarily dependent upon the ability of households to afford to pay monthly for housing. Unless the economic profile of the future population is significantly different from the current regional population, it is reasonable to expect that many of the newly-formed households will have deficient incomes. Lower income families will, in many cases, be unable to satisfy their housing needs through the normal housing market, making assisted housing programs essential and supporting the need for economic development activities which produce new jobs.

Market conditions have made it relatively difficult for private developers to produce new affordable housing for the very low-income family. Current trends indicate that other segments of the housing market may present similar problems in the future. Evidence indicates that overall, low- and moderate-income families are finding it increasingly difficult to satisfy their housing needs in today's market. Statewide trends indicate that rates of increase in rental costs and sales prices for housing have been twice as great as the increase in median income. Should the income-to-cost disparities continue to increase in the years ahead, the ability of the housing industry to produce affordable housing for this segment of La Quinta's population without assistance may be further diminished.

Although state and local governments, as well as private industry, have important roles in the provision of assisted housing, federal funding of existing and/or new housing programs historically had been a primary resource in the provision of assisted housing, for very low, and low income households. In the past several years the availability of funding through the federal government has diminished significantly. Without that resource, the ability of local government to

address the housing needs of these income groups has been greatly reduced. Local government is facing a situation in the near future where there may be no outside resources at all to assist the very low and low income groups.

The City will need to address a number of specific concerns which may prove critical to meeting future housing needs, especially if housing costs continue to increase at current rates. As housing costs rise, future housing needs will increasingly be translated into a greater demand for less costly housing types like multiple-family units and mobile homes. While the General Plan provides for a full range of housing types and densities, future decisions regarding public improvements, zoning, and development standards will determine the extent to which lower density housing products, multiple-family housing and mobile homes will be successfully utilized in meeting anticipated housing needs. The continued use of lower density housing types to provide affordable housing opportunities is also a valuable resource.

While there is a substantial amount of land available for a range of housing types in the City, focused attention on creative forms of residential development need to be considered. These include various types of small lot single family subdivision; mobile home parks that allow owner-occupied spaces; senior citizen housing developments offering various degrees of care and assistance; mixed-use residential, office and commercial developments; and planned unit developments geared toward seniors.

Housing assistance provided by federal, state and local programs fall into two categories: assistance to homeowners and assistance to renters. Within each of these categories, programs address either construction of new housing units or use of existing units. Some programs assist the individual or family, while others assist the owner or developer.

The County of Riverside administers a variety of federal and state programs providing assistance, including CDBG and HOME, bond issues, the Home Improvement Program, First Time Homebuyers Program, and the Mortgage Credit Certificate Program.

The Housing Authority of the County of Riverside administers a few of the programs providing low-rent housing in the region. The Riverside Housing Authority is an independent entity created by State

law. The Housing Authority does not create programs and funding - it is a legal structure under which cities and their developers may apply for funding for a number of housing programs. The Housing Authority acts as an independent agent to develop and manage properties and to administer the Section 8 Rental Assistance and Senior Home Repair programs. The Housing Authority of the County of Riverside operates 452 units in 28 locations of conventional low-rent housing, and 5,604 families are receiving assistance under the Section 8 Existing Housing Program in Riverside County. The Housing Authority maintains an applicant waiting list for the Low Rent Public Housing program. There are over 12,000 eligible households on the waiting list, which constitutes at least a five year wait to obtain a rental certificate.

Currently there are no projects in the City with Multiple Family Mortgage Revenue Bond subsidized low-rent housing. There are 22 assisted units of single family detached housing developed by Desert Family Housing under the HUD Section 8 New Construction Program. Approximately 89 Section 8 Certificates issued by the Riverside County Housing Authority are being used in La Quinta. The following programs offer funding sources which are either currently implemented or which offer potential for provision of very low and low income housing in the City.

Redevelopment Affordable Housing Set-Aside Fund

State Redevelopment Law provides a mechanism by which cities and counties can establish a Redevelopment Agency. The Agency's primary purpose is to provide the legal and financial mechanism necessary to address blighted conditions in the community through the formation of redevelopment project area(s). Tax increment financing is considered the most useful implementation tool of the redevelopment agency. This technique allows the assessed property valuation within the redevelopment project area to be frozen at its current assessed level when the redevelopment plan is adopted. When the property is improved or resold, the tax increment revenue generated from valuation increases above the frozen level is returned to the redevelopment agency to finance project costs.

Redevelopment Law specifies three requirements in relation to low and moderate income housing: 1) not less than 20 percent of all property tax increment revenues are to be used for purposes of

increasing the supply of very low, low and moderate income housing; 2) replacement of low and moderate income housing destroyed as a result of a redevelopment project; and 3) a portion of all housing constructed in a redevelopment project area is to be affordable to low and moderate income households. The Affordable Housing Set-Aside can be a significant source of funding for local housing programs. The City needs to establish program expenditure allocations from this fund. Programs that focus on the construction of affordable housing, and rehabilitation of units occupied by Very Low and Low income households should receive priority.

The La Quinta Redevelopment Agency (the Agency) has entered into agreements with non-profit and private developers to provide affordable housing opportunities in the City of La Quinta. The programs which have been established provide both rental and ownership assistance. All programs involve in-fill lots or existing single family homes located in the Cove area.

The program with the Coachella Valley Housing Coalition Non-profit organization (CVHC) involved the construction of ten single family units on in-fill lots wherein the homeowners provided construction assistance on a "sweat equity" basis. Construction has been completed, and the units were conveyed to the homeowners in December 1993.

The City has undertaken two programs with private developers. The first project, in conjunction with WES Development, involves the construction of up to 15 single family homes on in-fill lots which are being sold to Very Low, and Low income households as construction is completed and a qualified buyer is obtained. The second program, in concert with Coachella Valley Land, (CVL) provides both rental and ownership opportunities, where the Agency contributed a fixed amount per unit to the developer as an incentive to provide 50 units of rental housing to Very Low income households. In addition the Agency provided down-payment assistance for 30 first time homebuyers in the purchase of existing single family homes.

The City, through the Redevelopment Agency, will continue programs assisting low and moderate income households to become homeowners, and increase rental opportunities. The Agency intends to pursue partnerships to build and/or acquire single family units to be sold or rented to eligible households, as well as construction or acquisition

of multi-family units for rental purposes. To assist with these programs, the Agency may acquire land, write down land costs, provide assistance with site improvements or development fees, provide funds for down payment and closing cost assistance, or provide other forms of subsidies. The Agency should also be in the position to purchase affordability covenants on existing single family or multi-family rental properties by providing subsidies to the property owner in the event that housing which is currently affordable, such as the La Quinta Palms Apartments or the Desert Family Housing single family rental units, is proposed for a rental rate increase or HUD subsidies are terminated.

HOME Program

The Home Investment Partnership (HOME) Program is a federal program, created as a result of the National Housing Act of 1990. Riverside County received a 2.3 million allocation in 1992, and 1.54 million in 1993. The County is responsible for developing a specific program for spending the funds. Riverside County has targeted the funds for new construction and acquisition of land and structures. Under the County's allocation program HOME funds cannot be used for administrative costs, matches for other programs or public housing modernization. To date, the County's entitlement funds from the HOME Program is insufficient to meet demand. The County is not obligated to pass on the available funds under an annual allocation of funds based on a formula, as are CDBG funds, as the amount of funds that the cities would be entitled to under the formula may be too small to achieve local goals. Rather, the distribution of available funds to individual cities is on a competitive basis from a general pool of funds. The County will send out a letter (a NOFA) announcing the availability of funds.

The project applicants work with the City to develop proposals for funding. The City then submits the applications to the County for determination of eligibility. A 30 percent local match is required for new construction funds, of which RDA Affordable Housing Set-Aside funds would be the primary resource.

The County, through the Economic Development Agency, intends to establish a countywide First-Time Homebuyer Down payment Assistance Program utilizing HOME funds. The program will function on a first come-first serve basis, providing funding for such activities as land acquisition,

interest subsidy buy down, or down payment assistance for units affordable to very low and low income households. Eligible participants in this program include the City, potential homeowners, and developers. When a NOFA is issued, eligible applicants apply directly to the County. There is no local match required for this program. Although this program will probably not be fully activated until 1995, the Agency should consider directing potentially eligible homeowners and developers to apply for funding.

Mortgage Revenue Bonds

Mortgage Revenue Bonds are issued by local government, counties, housing authorities, and redevelopment agencies to support the development of owner and rental multiple family or single-family housing for low-and moderate-income households. Proceeds from the sale of bonds reduce the interest rates or mortgages for both the homebuyer and the developer of rental properties. The latter must assure that the rents will remain affordable for a specific period of time. Federal law places an annual limit on the total volume of mortgage revenue bonds which can be issued within each state. The City can issue their own bonds or work with the County, which would administer the bond in their behalf.

Mortgage Revenue Bonds for single family housing are issued to finance the purchase or rehabilitation of owner-occupied units. Proceeds from the bond sales are used to make mortgage or rehabilitation loans to qualified low-and moderate-income buyers. The bonds enable the issuer to offer low-interest loans, thereby increasing ownership opportunities for households who have difficulties in obtaining traditional financing. The bonds are serviced and repaid from the property owner's mortgage payments.

Since 1984, Riverside County has issued \$193,101,000 in bond financing under the Single Family Tax Exempt Revenue Bond program. This financing has provided assistance to 2,092 first time homebuyers in the County. To qualify for this program, applicants must meet income eligibility standards. The program primarily benefits moderate income, first time homebuyers. The City has not issued any bond financing under the Single Family Mortgage Revenue Bond Program. Funding for this program is currently not available.

Multi-family Mortgage Revenue Bonds are used to finance construction and mortgage loans, as well

as capital improvements for multi-family housing. Federal law requires 20 percent of the units in an assisted project to be reserved for lower income households, whose income does not exceed 80 percent of the median household income for the County. Additional state requirements regarding set-aside units are imposed on the project. Funding for this program has been extended indefinitely, with no foreseen cap on termination. Since 1984, Riverside County has issued \$270,533,000 in bond financing under the Multifamily Tax Exempt Revenue Bond program. This financing has provided development assistance for 5,935 multi-family units in Riverside County. There are no rental units in the City which have received this form of financing.

This program is a viable tool for Redevelopment Agency activities. It is recommended that the Agency consider issuing such bond financing in the next planning period to create additional funding mechanisms for affordable multi-family units.

Section 8 Rental Assistance Payments/ Housing Certificates

The Section 8 program provides rental assistance to low- and moderate-income families, elderly, and disabled persons who spend more than 30 percent of their monthly income on rent. The subsidy represents the difference between the excess of 30 percent of the recipients' monthly income and the federally approved fair market rents (FMR). In general, the FMR for an area is the amount that would be needed to rent privately owned, decent, safe and sanitary rental housing. Section 8 assistance is available in the following forms:

- **Section 8 Existing Housing Certificate Program**
Under the certificate program, the landowner enters into a contract with the local Housing Authority which establishes limits for the rent which will be subsidized for the Very Low income unit to the FMR. Eligible tenants must pay the highest of either 30 percent of adjusted income, 10 percent of gross income, or the portion of welfare assistance designated for housing. Housing subsidized through this program must meet standards of safety and sanitation established by HUD.
- **Section 8 Existing Housing Voucher Program**
This program is similar to the Certificate Program, however, rent for the units are not restricted. The tenant instead must pay the

difference between the FMR standard and the actual rent.

The Riverside County Housing Authority administers the Section 8 Certificate Program for Riverside County, including La Quinta. The demand for Section 8 assistance is high in Riverside County. The Section 8 waiting list was closed in 1992, with over 50,000 households on the list. The County allocates HOME funds to the Housing Authority to help reduce the waiting list. According to the Housing Authority, approximately 89 households in La Quinta receive Section 8 assistance for rental vouchers. The majority are redeemed at rental units in the Cove and Village areas.

The City cannot directly influence the number of Section 8 vouchers available to residents, however the City should support efforts of the Housing Authority to obtain additional funding from HUD to provide subsidies.

Equity Sharing

Equity sharing allows lower income households to purchase a home by sharing the cost of home ownership with an investor-sponsor. The investor and occupant combine resources for the down payment and subsequent house payments. The equity earned from appreciation of the unit is split between the occupant and the investor/sponsor, according to a pre-arranged agreement.

This program is flexible and can be tailored to the individual needs of investors and occupants. Current investors in the equity sharing programs include local government, private developers and lenders, and non-profit agencies. Shared equity may be used by the Agency as a tool in the provision of new owner-occupied housing opportunities in conjunction with a non-profit organization or developer.

Section 202 Elderly or Handicapped Housing

Under this federally administered program, direct loans are made to eligible, private nonprofit organization and consumer operative sponsors to finance development of rental or cooperative housing facilities for occupancy by elderly or handicapped persons. The interest rates on such loans are determined annually. Section 8 funds are made available for all of the Section 202 units for the elderly. Rental assistance for 100 percent of

the units for handicapped persons has also recently been made available.

Private, nonprofit sponsors may qualify for Section 202 financing loans. Households of one or more persons, the head of which is at least 62 years old or is a qualified non-elderly handicapped person between the ages of 18 and 62, are eligible to live in these units. There are currently no Section 202 projects in the City.

Should funding be available, this program may be applicable to the proposed senior project in the Mixed/Regional Commercial designation, which is part of the Municipal Properties Master Plan. The number of units and the developer have not been determined. The City of La Quinta should encourage non-profit sponsors to make application for HUD Section 202 allocations for construction of rental housing for seniors and the handicapped and take all actions necessary to expedite processing and approval of such projects.

Second Units

A second unit is a self-contained living unit that may be either attached or detached from the primary residential unit. Both the primary and the second units are located on a single lot. The unit has eating, sleeping and full sanitation facilities. Development of second units provides additional housing opportunities in the City without requiring the use of additional lands. The development of second units makes use of underutilized, developed areas and can be an important component in providing affordable housing in the City.

Government Code Section 65852.2 requires that local government take one of three actions regarding second units: 1) adopt an ordinance allowing second units in single and multi-family zoning districts; 2) adopt an ordinance prohibiting second units provided certain findings are made; or 3) allow second units under specific conditions provided in state law.

The City of La Quinta provides for second (granny) units in R-1 and SR zones, and establishes requirements for size and lot coverage under the Zoning Code, as well as age restrictions, as provided for in Item 3 above. These second units primarily serve to augment resources for senior housing, or as affordable rental units. In order to encourage the creation of second units, the City will need to provide incentives and a program to

inform homeowners and developers of the opportunity to provide second units.

Mortgage Credit Certificate Program

Under the Mortgage Credit Certificate (MCC) Program, first-time homebuyers receive a tax credit based on a percentage of the interest paid on their mortgage. This tax credit allows the buyer to qualify more easily for home loans as it increases the effective income of the buyer. Under federal legislation, 20 percent of the funds must be set-aside for buyers with incomes between 75 and 80 percent of the County median income.

The program is administered by the EDA in conjunction with local participating lenders through the California Debt Limit Allocation Authority. Potential first-time homebuyers are pre-qualified by the participant lender, and if they meet the program requirements, an application is submitted to the MCC program administrator. Since 1988, the MCC program has provided tax credits to 480 buyers in Riverside County. The County estimates that of this figure, 150 buyers were low and moderate income households. In this period, 6 residents of La Quinta received MCC assistance.

MCC funds are generated under the Mortgage Revenue Bond (MRB) allocation. Under the Tax Reform Act of 1984, state and local governments were permitted to exchange some or all of their authority to issue Mortgage Revenue Bonds (MRBs), for the authority to issue MCCs. For every dollar of MRB allocation, the City can exchange 25 percent of their MRB's for MCC's.

The City currently is eligible for this program as funding eligibility, after a temporary cessation, has been extended permanently. The City could commit up to 20 million dollars in bond allocation funds. Utilizing the conversion for MRBs, and estimating that 20 percent of the allocation would be approved, it is estimated that 50 homebuyers could ultimately be assisted in the City, although most likely not all within the planning period.

Non-Profit Foundations

Non-profit housing development corporations are becoming increasingly more important in the effort to provide affordable housing. Housing development corporations in general are tax-exempt, non-profit corporations and can use a variety of financing mechanisms including equity financing through the sale of tax benefits, the use

of tax exempt bonds, receiving tax deductible contributions and gifts, and government subsidies or assistance. Several Non-profits exist in the Coachella Valley. The Coachella Valley Housing Coalition has achieved several notable successes, and has completed the development of 10 single family homes on a sweat equity basis through an agreement with the Agency. The Redevelopment Agency should continue to pursue such ventures with Non-profit organizations.

California Housing Finance Agency

The California Housing Finance Agency has three single family programs for primarily moderate and middle income homebuyers. Each provides permanent mortgage financing for first time homebuyers generally at below market interest rates. Only a 5% down payment is required. One of the programs provides a deferred second loan to pay for closing costs and/or to reduce the monthly principal and interest payments. Another allows sweat equity to replace the down payment.

Builders and developers apply for CHFA financing through participating mortgage lenders. Loans are available for previously owned properties. The CHFA programs are potentially important programs in La Quinta, as the housing prices are still affordable. The Redevelopment Agency has a listing of the mortgage lenders participating in this program. As the City is approached with development proposals, the City should inform developers about the potential for assistance, particularly as a means to create single family affordable housing under inclusionary zoning.

Low Income Housing Tax Credit (LIHTC) Program

This program provides for federal tax credits for private developers and investors which agree to set aside all or a portion of their units for low income households and the elderly for no less than 15 years. A minimum of 20 percent of the units must be made available to families whose income is less than 50 percent of the County median or 40 percent of the units must be made available to families whose income is up to 80 percent of the median.

Developers and investors must apply for an allocation of housing units from the State Allocation Committee, administered by the Department of Finance. While the program is beneficial in adding low income housing units to the local housing stock, the statewide allocations

are limited under this program and the application process is expensive for the developer. In addition, single resident and elderly rental projects are not competitive based on the state's selection criteria. The Redevelopment Agency will remain informed about this program and will make the benefits of this program known to developers and investors upon inquiry, potentially for multi-family projects which cater to larger families.

Homesharing

Shared Housing a Riverside Experience (SHARE) is a non-profit entity whose purpose is to promote homesharing. Homesharing programs provide referral/matching services to people with limited incomes seeking housing, and homeowners who wish to share their home. SHARE targets senior citizens, However, intergenerational and single parent matches are reported by SHARE to be successful. SHARE estimates that 50 percent of these matches involve economically disadvantaged groups, with 25 percent of these matches involving very low-income households.

The main office for SHARE is in Riverside, with offices in Lake Elsinore and Hemet. SHARE estimates that it matches 500 to 600 a year, and receives, on average, 100 applications a month. There have been a few matches in the City of La Quinta, but the availability of this service is not widely known nor publicized. It is recommended that the availability of this program be advertised at the Senior Center.

11.3 Housing Rehabilitation/Conservation

Although the assessment of current housing needs indicates that the majority of La Quinta' population is adequately housed, it also clearly illustrates that a certain segment of La Quinta households are currently experiencing housing quality problems. Based on the housing condition inventory, approximately 350 households within La Quinta, in addition to 176 mobile home residents, are currently living in housing that needs correction of deferred maintenance or physical repair. The majority of units cited in the housing condition inventory do not entail structural repair or rehabilitation. Approximately 70 percent of the non-mobile home units in need of attention fall under the "deferred maintenance" classification, which consists of the existence of three or less superficial maintenance items such as: front door and/or garage door paint; paint on fascia or wood trim;

deferral of yard, landscape and/or fence maintenance; or roofs which require replacement of pebbles or rocks, but which are basically sound. Approximately 21 percent of the units identified by the survey are considered candidates for minor rehabilitation, which entails: the rectification of one structural repair, such as stucco patching and repainting, window replacement, or roof repair; a structural repair in combination with one or more cosmetic maintenance items; or more than three deferred maintenance items. An estimated 8 percent of the units identified by the survey, and 80 percent of the mobile homes within the Dune Palms and Vista Dunes Mobile Home Parks are considered in need of moderate to substantial rehabilitation, which entails the correction of one or more major structural conditions, such as the foundation in conjunction with overall deferred maintenance, physical exterior deterioration and minor structural repairs.

In addition, housing conservation is necessary to protect the stock of affordable housing units for very low, low, and moderate income households, from being demolished to make way for other uses not benefitting lower income groups (i. e. new market rate housing). Economic considerations and land valuation may make it more practical to demolish an existing older unit and replace it with a new unit rather than rehabilitate it. The older units in the City, particularly in the Cove, typically provide the primary resource for affordable single family rental or ownership units. It is important that these resources be protected and conserved through rehabilitation.

The actual loss of single family units due to physical deterioration and replacement in the future is difficult to gauge. Loss of existing single family units to residential growth is easier to measure from a historical perspective. In the ten years from 1983 to 1993, development activity or from deterioration in La Quinta resulted in a loss of 15 units.

The following programs can be used toward rehabilitation and preservation of the City's housing stock.

Preservation of At-Risk Units

The Housing Constraints Section identifies assisted units in the City that are eligible to convert to market rate units within ten years. A total of 6 single family detached rental units, developed under Section 8 New Construction by Desert Family Housing, were eligible to convert to market rate in

1993. A total of 22 such units were constructed by Desert Family Housing with direct subsidy from HUD. Although the City is not required to monitor the preservation of subsidy for these units, as they are not multi-family, and the property owners have renewed the contract to continue direct HUD subsidy on these units, these units do provide a valuable resource of affordable housing units in the City. Therefore, should the HUD subsidy be discontinued, or Sanfric Inc., who currently administers these units choose not to renew the contracts with HUD, the City may elect to purchase affordability covenants on these units for a specified period of time in order to maintain their affordability and incorporate these units towards achieving the RHNA distribution.

Code Enforcement

The City of La Quinta enforces the Housing Code which provides minimum health and safety standards for the maintenance of the existing housing supply. These standards are intended to provide for safe and sanitary housing that is fit for human habitation. The enforcement of the Housing Code is normally handled on a complaint-response basis.

The Housing Code mandates that health and safety deficiencies be corrected in accordance with construction standards that were in effect at the time the structure was built. In cases where property owners refuse to correct deficiencies, enforcement of the Housing Code relies on civil sanctions.

Assessment/Hook Up Fee Subsidy Program

In 1989, the City implemented a five-phase program using assessment districts to fund the construction of needed infrastructure improvements. The Subsidy Program was created to alleviate the financial hardship caused to Very Low, Low and Moderate income households by the property owner assessment district payments, sewer connection permit fees and plumbing installation costs. The program is implemented on an on-going basis to both owner and renter occupied existing housing. Since the program's inception, 210 qualified homeowners have received assistance.

Community Development Block Grant Program (CDBG)

Through the CDBG program, HUD provides funds to local governments for funding a range of community development activities. CDBG funds are subject to certain restrictions and cannot be used for new construction of housing, but can be used for rehabilitation and acquisition of existing housing and land. La Quinta's CDBG funds are currently administered through Riverside County, per Federal requirements, as part of the Urban County Co-operative Powers Agreement. The City receives an allocation of funds from the County based on a formula. The City will continue to participate in all programs available through the Urban County agreement.

The City has received \$615,000 of CDBG funds since incorporation. In 1993, the City's allocation was \$72,431. The City anticipates receiving \$100,688 in FY 1994-95, due to the reallocated formula matrix for Riverside County. The City accumulated its funding allocations since incorporation, and has appropriated the entire amount to date to the Senior Center Construction Fund. The City should consider the use and appropriation of future CDBG funds for either rehabilitation of single-family, multi-family and mobile homes, or infrastructure improvements. As an option, the City may also consider expenditure of the funds for purchase of substandard units for rehabilitation and sale to first time homebuyers. However, funding is extremely limited and it is anticipated that available funds will be appropriated to a single program.

Rehabilitation Programs

Preventing the loss of housing from physical deterioration is an important component in maintaining the existing stock of affordable housing. It is recommended the City participate in the County of Riverside's Home Improvement Program and Senior Home Repair Grant Program, or develop a residential maintenance/rehabilitation program, which would consist of one, or a number of components to be administered by the Redevelopment Agency.

The County administers a Home Improvement Program for low interest rehabilitation loans to homeowners with incomes of 80% or below the County median. The loans are available to correct Code violations, incipient code violations, and health and safety problems. It is recommended that

the City make the benefits of this program known to homeowners, particularly those which have been identified by the Housing Conditions survey, concurrently with establishment of the City's Home Maintenance and Rehabilitation Program. The County program does not entail a match or appropriation of City's funds for eligible homeowners to apply. Currently, the entire application through loan approval process takes one year, but is anticipated to be streamlined to a four to five month process. This program is particularly applicable in situations where the amount of loan needed for repairs exceeds \$5,000, as loans over \$5,000 are available.

The first component of the Agency's program to be considered is a Residential Rehabilitation Program which would provide low-interest loans or grants to be used for property and structural repairs and rehabilitation. The definition of deferred maintenance and rehabilitation has been established for this program, based on the conditions survey, which correlates the number of units to each type of repair(s) or maintenance required. The program should be available to Low and Moderate-income owner-households. (Incomes not to exceed 80% of the County median).

Redevelopment Set-Aside Funds are the primary funding sources for this program, and may be supplemented by CDBG funds if allocated toward rehabilitation activities. The City may wish to establish limits on the amount of loans for this program, referring major rehabilitation projects to the County's Home Improvement Program.

The City may also consider extending low-interest loans to the few multi-family owners in the City, in exchange for a commitment to maintain a percentage of units as affordable to low income households. Such loans would be funded from the Affordable Housing Set-Aside Fund.

If allocated to the program, CDBG funds could be used for code enforcement and moderate/major rehabilitation (3 or more types of deferred maintenance or structural repair required), although CDBG funds are very limited. Redevelopment Set-Aside funds may be slated for deferred maintenance rehabilitation loans and rental rehabilitation projects.

It is recommended that the Redevelopment Agency establish a Code Compliance component of the Maintenance and Rehabilitation program to assist those homeowners that have been cited for minor

code violations and do not have sufficient income to repair the deficiencies without assistance. Sources of funding for this component include the County's Home Improvement Program, as well as the potential for appropriation of the City's CDBG funds. The program could include grants or low-income loans and should be limited to those households whose combined income is less than 80 percent of the County median (Low and Very Low).

The maintenance component of the program should be tied into, and coordinated with the Tool Lending Program to promote self-help maintenance.

Tool Lending Program/Neighborhood Rehabilitation

During the housing condition survey, a number of units with one to three deferred maintenance conditions were identified. It is recommended that the City establish a tool lending program to assist occupants who may not have the resources to hire a third party to make repairs. The program will provide home repair information and lend a variety of hand and power tools to occupants who seek to make home repairs. The City should work with local developers and hardware stores for donation of tools and materials, as well as neighborhood residents to organize work efforts. Primary activities to be undertaken include painting of fascia, trim, doors and garage doors, landscape and yard clean-up, and fence painting and repair. This program does not involve the use of grants or loans.

Senior Home Repair Grants

The City or Agency may consider allocating a portion of its Redevelopment Affordable Housing Set-Aside or CDBG funds to The Riverside County Housing Authority to administer for the Senior Home Repair Grants Program. Or, the City or Agency could administer such a program themselves. The County program allocates grants up to \$250 per year for seniors with an income of 80 percent or below the County median for minor housing repairs, such as painting doors or trim, or repairing a window. The Board of Supervisors approved expansion of the program in June 1994 to grants of up to \$2,500 for eligible senior householders. Funding should be available in October 1994.

Mobile Home Park Assistance Program (MPAP)

There are three mobile home parks in the City of La Quinta, providing for 242 mobile home spaces in 1994. There are no plans for conversion of these mobile home parks to other land uses. However, mobile home parks are often transitional land uses. The Mobile Home Park Assistance Program (MPAP) is designed to mitigate the displacement of residents resulting from a conversion of mobile home park, and through HCD, provides assistance to mobile home park residents seeking to purchase their park and convert it to resident ownership.

Under this program, HCD provides financial and technical assistance to mobile home park residents. MPAP loans are made to low-income mobile home park residents, or organizations formed by such residents, to own and/or operate their mobile home parks. Loans are limited to 50 percent of the purchase price plus the conversion costs of the mobile home park. Loan funds for conversion projects are awarded on a competitive basis.

California Housing Rehabilitation Program - Owners (CHRP-O)

HCD administers this program for the rehabilitation of owner-occupied housing. Cities, counties and non-profit organizations may apply to the State for a \$250,000 allocation. The program, funded by Proposition 84, provides 3 percent interest deferred loans up to \$20,000 for five years. Loans can be made for \$30,000 if a room addition is necessary to address overcrowding. Funding is currently not available for this program. However, the program has not been discontinued and may be a potential resource in the future. Therefore is not represented in the Quantified Objectives Table.

At the end of five years, the borrower's financial situation is reevaluated to determine whether the borrower can afford to pay the loan. If not, the loan is extended for another five years with reevaluations every five years until the borrower turns 65 years old. At that time, the loan could be repaid at death or property transfer. Loan limits most likely will be exceeded to address most major rehabilitation activities. It is possible, however, that La Quinta could utilize this program to complement its redevelopment program, if funding becomes available.

California Housing Rehabilitation Program - Rental (CHRP-R)

HCD administers the California Housing Rehabilitation Program - Rental (CHRP-R), which provides for the rehabilitation of rental housing. Under the CHRP-R program, the owner applies directly to the state for loan funds. Local government is not involved in the process.

The program, which was funded by Proposition 77, provides 3 percent interest loans for 30 years to persons who want to acquire and/or rehabilitate rental housing. For 30 years the units must be available to low- and moderate-income persons. Due to the restrictive nature of this program, unless a property owner faces the threat of code enforcement, there is no incentive to apply. In addition, currently there are only funds available for rural areas, which would be relevant only for areas outside of the City's incorporated boundaries. Rural is defined by HCD, based on size population, incorporation status and urbanization conditions. The City of La Quinta is included within the Palm Springs urbanized area, and is ineligible for funding. However, funding for cities may be continued at a future unknown date. It is recommended that the City monitor availability of funding and assist property owners in applying for CHRP-R funds pending the release of a NOFA.

Emergency Housing Grants

The County administers the Emergency Housing Grants Program that provides up to \$750 grants for emergency house repairs for those homeowners on SSI. The program provides \$450 to a household on a one-time basis and up to \$300 per year for interior and exterior improvements and can be used for replacement of major appliances.

Low Income Home Energy Act Program

The County of Riverside Department of Community Action receives grants from the DOE and Gas Company for two programs. The first programs assists low income and disabled persons with utility payments. The second assists low income and disabled households with weatherization of their homes. DCA staff conducts intake activities which includes verification of eligibility and assistance.

The weatherization component of the LIHEAP is managed by the DCA who contracts with the Campesinos Unidos non-profit organization. This

organization provides outreach to assess the needs of La Quinta residents, and sets appointments. DCA provides inspectors to ensure compliance with applicable energy conservation rules and regulation, as well as quality control. Weatherization improvements include weather stripping, caulking around doors and windows, attic insulation, water heater blankets and plumbing caulking. Weatherization service is applicable for persons/households earning no more than the poverty level.

Utilities assistance is provided through Catholic Charities in Indio, where appointments are made for eligibility verification (which consists of an income not to exceed 130% of poverty level) for assistance. Those persons on AFDC or Social Security automatically qualify for assistance. Riverside County has been allocated 11 percent of funds in California of this allocation, the majority of which remains unspent to date.

11.4 Removal of Constraints

As stated, many factors affect the ultimate cost of housing to the consumer, be it rental or owner occupied. Those factors which either prevent construction or raise the cost of construction and/or improvement of housing can be considered constraints. Some of these constraints are the result of governmental actions, policies, regulations, and standards, and some are non-governmental market factors. However, governmental and non-governmental constraints are interrelated and each affect the other, so action programs which influence one group can affect the other.

Non-governmental constraints are beyond the control of local government and cannot generally be impacted by any action of the City or County. However, certain actions of local government can mitigate some of the adverse impacts of market constraints on a very localized basis.

Priority Processing

The City will provide priority processing of permits for affordable housing projects. The purpose of this program is to provide an incentive for the development of affordable housing. Processing procedures will be coordinated among the various affected departments through the designation of a contact person that will assist in processing the necessary permits.

The following projects should receive priority processing:

- Redevelopment Agency residential projects for low and moderate income households
- Density Bonus projects in Mixed/Regional Commercial and High Density residential areas, and multiple bedroom density bonus applicants
- Multi-family projects in the redevelopment project areas which set aside 20 percent of units for Low income households
- Other projects that would produce housing affordable to Low and Moderate income households.

Development Fees

Development fees set by the City, and other regional fees such as the Fringe Toed Lizard Fee, cover the costs for infrastructure, environmental protection and public services and utilities incurred by residential development. These fees impact the cost of housing, and may therefore impede the ability to provide housing that is affordable to low income households. The City will consider fee waiver provisions or subsidy to reduce these constraints to production of low income and senior citizen housing.

The City will monitor property development and site improvement standards associated with the land use policies established by the General Plan as part of the Zoning Code update, to determine whether or not they constitute constraints and to consider modifications which remove unnecessary constraints.

11.5 Energy and Water Conservation Opportunities

The City enforces the State Energy Conservation Standards (Title 24, California Administrative Code) through building plan check. These building codes provide a great deal of flexibility for individual builders to achieve a minimum "energy budget" through the use of various performance standards. These requirements apply to all new residential construction as well as all remodeling and rehabilitation construction. Subdivision and site plan review regulations or policies which require compliance with specific energy conservation standards have not been adopted by the City.

11.6 Promotion of Fair Housing Opportunities

Although inadequate distribution of affordable housing within a community or region is an important constraint to choice, discrimination due to race, religion, or ethnic background is an equally significant factor affecting the renting or sale of housing. Discrimination violates state and federal laws and should be reported to the proper authorities for investigation. One agency responsible for investigation of housing discrimination complaints is the State Department of Fair Employment and Housing. The Riverside County Department of Public Works, Consumer Protection Division will handle complaints not accepted by that agency.

Equal Housing Opportunity

The Fair Housing Council of Riverside County (FHCRC) maintains a comprehensive approach to further and ensure equal access to housing for all persons. The three major components of this approach are: education; training/technical/consultant assistance; and fair housing rights assistance. The Fair Housing Council of Riverside County (FHCRC) is also an advocate for affordable housing, legislative reform, local compliance and research projects relative to fair housing and human rights issues. The FHCRC works with the State Department of Fair Employment and Housing, and HUD in the referral, enforcement and resolution of housing discrimination cases.

Housing Referral Directory

The dissemination of information on the programs and services available to low income and special

needs groups is an important part of ensuring the success of the housing programs. It is recommended that a directory of referral services and housing information be developed to ensure that accurate and appropriate information is dispensed as needed for low-and moderate-income, and special needs households. Persons seeking housing advice, counseling and assistance will be referred to public agency, community-based organizations and other service providers.

11.7 Housing Element Monitoring and Administrative Procedures

Annual Reporting

An annual review of the Housing Element will be conducted pursuant to State law. The purpose of this review is to ensure that the Element retains its viability and usefulness.

The monitoring of affordability resulting from such provisions as one of the City's administrative functions is recommended in the housing policy section. The City will require appropriate deed restrictions to ensure continued affordability for low or moderate income housing constructed or rehabilitated with the assistance of any public or Redevelopment Agency funds as may be legally required by the use of such funds. The City will develop a monitoring program and report on implementation progress of the affordable housing programs contained in this document to the City Council. The report will include a quantification of progress in meeting the regional housing need, or future housing need.

**TABLE H-46
CITY OF LA QUINTA
HOUSING PLAN SUMMARY**

Housing Program	Program Intent	Plan Objective (# Units to be Assisted)	Potential Funding Source	Responsible Agency	Time Frame
PROVISION OF ADEQUATE HOUSING SITES					
Land Use Element/Zoning Code	Provide a range of residential development opportunities through land use and zoning designations, and specific plan implementation.	Adequate residential sites to accommodate the regional fair share determined at 206 Very Low; 200 Low; 231 Moderate; and 625 Above Moderate income households.	General Fund	Planning and Development Department	1989 - 96

**TABLE H-46
CITY OF LA QUINTA
HOUSING PLAN SUMMARY**

Housing Program	Program Intent	Plan Objective (# Units to be Assisted)	Potential Funding Source	Responsible Agency	Time Frame
Sites for Homeless and Emergency and Transitional Shelters	Provide adequate sites for emergency and transitional shelters.	Permit transitional housing and homeless shelters in the Mixed/Regional Commercial designation. These uses will be subject to discretionary approval.	General Fund	Planning and Development Department	Ongoing
Landbanking	Acquire sites (or funds) for affordable/senior housing.	Continue Landbanking activities for acquisition of sites for affordable/senior housing to be developed by the RDA in conjunction with non-profits or private developers.	CDBG Funds; Affordable Housing Set-Aside Fund; Redevelopment Tax Increment	Planning and Development Department/RDA	ongoing
Zoning Code Revisions	Consistency with General Plan	Review and update to ensure consistency with Land Use Plan, and establish an implementing mechanism for M/RC designation. Utilize the R-6 zone to plan for affordable housing developments with density incentive. Amend as necessary to provide for flexibility in site planning.	General Fund	Planning and Development Department	1994 -95
Mobile Home Park Zone	Maintain Zone to Protect Mobile Home Resources	Provide for development of mobile home parks and manufactured homes on permanent foundations as set forth in Zoning Code. Maintain stock of existing mobile homes.	General Fund	Planning and Development Department	Ongoing
Inclusionary Affordable Housing Program	Low/Moderate Income Housing Program	Promotes urban infill. Require 15% of all units developed by public (non-Agency) and private developers in Redevelopment Project Areas to be affordable to Very Low, Low and Moderate income households, supported by incentives as presented herein, focusing on M/RC, High Density and Multi-Family & PUD areas.	Affordable Housing Set-Aside Fund	RDA	Adopt ordinance in 1994/95 pending adoption of Affordable Housing Compliance Plan.
Density Bonus Program	Encourage development of housing for low-income and large family households through provision of density bonus.	Adopt and incorporate Density Bonus Program into Zoning Code. Include provisions to ensure the continued affordability of units. Consider adoption of a density bonus to target the development of units for larger families.	General Fund Affordable Housing Set-Aside Fund and other resources for incentives	Planning and Development Department/RDA	Adopt Ordinance in 1994
ASSIST IN DEVELOPMENT OF AFFORDABLE HOUSING - HOMEOWNERS					
Redevelopment Agency - CVHC and other non-profit agencies	Continue Programs assisting low and moderate income households to become homeowners.	Provide resources to assist with 10 single family units for households with 50 - 120% of median income.	Affordable Housing Set-Aside Funds; CDBG for acquisition of property to be rehabilitated and sold; HOME	RDA	1993
Redevelopment Agency - Private Developers	Continue to work with private developers on urban infill projects.	Provide very low, low and moderate income opportunities through write-down of land costs, off-site improvements or development fees, down payment assistance for first time homebuyers, site analysis and site acquisition for a target of 138 single-family units over the planning period.	Affordable Housing Set-Aside Fund; CHFA; CDBG; HOME	Planning and Development Department/RDA	Ongoing

**TABLE H-46
CITY OF LA QUINTA
HOUSING PLAN SUMMARY**

Housing Program	Program Intent	Plan Objective (# Units to be Assisted)	Potential Funding Source	Responsible Agency	Time Frame
Mortgage Revenue Bond Financing - Single Family	Increase supply of single family ownership units affordable to moderate and low income households.	Based on funding, consider establishment of a Single Family MRB Program and advertise its availability. Provide assistance to 3 first-time homebuyers by 1996 through the Single Family program if funding becomes available. Priorities shall be given to units which accommodate large families.	Bond Financing	Planning and Development Department/ RDA/ Private Developers	1994 - Determine Funding and Demand 1995-96 Implement Program if funding is available.
HOME Program	New construction for affordable single family and First-Time Homebuyer Down Payment Assistance Program	Study the potential for application for new construction of 3 single family homes, or strive for down payment assistance for 3 households per year as funding is available.	HUD	RDA through Riverside County	1994 -1996 per issuance of NOFA
Shared Equity Programs (see Redevelopment Agency and Non-Profits)	Increase Homeownership opportunities for low and moderate income households.	Work with local groups to offer shared equity programs as an option for low/mod income households. Target 2 units over the planning period.	Private Lenders; Non-profits	Planning and Development Department/ RDA	1994 - establish program 1995-96 to Implement Program
Mortgage Credit Certificate	Continue to assist first-time homebuyers.	Assist at least 10 first-time homebuyers by providing tax credits, 3 of which are lower income households, if funding is available.	MRB allocation	Riverside County EDA	1994-96
Second Unit Ordinance	Maintain increased affordable housing opportunities to senior and low- income households.	Maintain the Ordinance which permits second units on residential lots as zoned.	General Fund	Planning and Development Department	1992-1996
State Home Ownership Assistance - CHFA	Provide ownership opportunities to low/moderate income households. Below market interest rates for first time homebuyers with 5% down.	Builders and developers apply for financing to CHFA through participating mortgage lenders for new and resale units. Programs vary to reduce closing costs or P&I payments, as well as below market interest rates.	California Housing Finance Agency	Builders and developers, coordinated with RDA	1994 - 96

ASSIST IN DEVELOPMENT OF AFFORDABLE HOUSING - RENTERS

Redevelopment Agency and Private Developers/Non-profit Organizations	Continue and pursue programs assisting low and moderate income renters	Provide very low, low and moderate income households opportunities through write down of land costs, off-site improvements or developer fees, site acquisition or other incentives for a target of 141 multi-family and senior rental units over the planning period.	Affordable Housing Set-Aside Fund; CHFA; CDBG; HOME	Planning and Development Department/RDA	Ongoing
Section 8 Housing Certificates/ Vouchers	Provide housing subsidies for low-income households.	Support efforts to increase the amount of funding allocated to HUD programs. Provide referrals to apartment complex owners for information on the various Section 8 programs. Strive for 10 additional vouchers per year.	HUD	Riverside County Housing Authority	Ongoing
Mortgage Revenue Bond Financing	Increase supply of rental ownership units affordable to low- and moderate-income households.	Promote the use of multifamily MRB financing.	Bond Financing	Planning and Development Department/RDA	Ongoing

**TABLE H-46
CITY OF LA QUINTA
HOUSING PLAN SUMMARY**

Housing Program	Program Intent	Plan Objective (# Units to be Assisted)	Potential Funding Source	Responsible Agency	Time Frame
HOME Program	Construction or site acquisition for multifamily projects.	Study the potential for application for new construction of one multifamily project, based on funding availability.	HUD	RDA through Riverside County	1995-96
Section 202 Elderly or Handicapped Housing	Provide housing and related facilities for the elderly and handicapped.	Support all viable nonprofit entities seeking Section 202 funding.	HUD	Planning and Development Department/RDA	Ongoing
Low-Income Housing - Non-Market Rate Housing in Market Rate Rental Projects	Increase Supply of Low Income. Inform developers and non-profits about LIHTC.	Support and participate in additional rental housing programs which provide non-market rate rents in market rate projects for which only developers and investors may apply for tax credits or capital advances. The City will identify sites suitable for projects, make all known sources of funding known and available, and take processing/promotional actions as necessary, as funding is available.	State Allocation Committee (LIHTC) General Fund	Administered by DOF (LIHTC); Planning and Development Department; RDA; Private Investors and Developers	Ongoing
Homesharing (SHARE)	Assist seniors and others with limited incomes in obtaining housing.	Increase housing opportunities for senior citizens and other low income residents by supporting SHARE. The objective is 10 matches per year - 5 Very Low and 5 Low income households.	CDBG; Affordable Housing Set-Aside Fund	Non-profit organizations; Planning and Development Department	Ongoing

GOVERNMENTAL CONSTRAINTS

Priority Processing for Affordable Housing	Facilitate production of affordable housing.	Develop a schedule for priority processing of affordable housing projects. Designate a contact person to coordinate processing of all of the necessary permits.	General Fund	Planning and Development Services Department	Ongoing.
Modify Development Fees	Provide incentives to developers of affordable/senior housing.	Review existing development fee schedule. Consider fee reductions, or the addition of fee waiver provisions for the production of low-income and senior citizen housing.	General Fund	Planning and Development Services Department	1994
Density Bonus	See Housing Sites Section				
Modify Development and Site Improvement	Reduce constraints on provision of affordable housing	Consider revision of parking requirements on a case by case basis. Allow shared parking for M/RC and Village and provide flexibility in development standards for affordable housing in order to achieve density. Review minimum unit size as it applies to manufactured housing and units in R-6 zone, and review minimum unit size for second units.	General Fund	Planning and Development Department	1994-95 Zoning Code Update Program
Non-governmental Constraints	Promote Homeownership opportunities and development of affordable housing.	Research alternative methods of financing. Utilize available sources for write down of infrastructure or land costs.	CDBG Affordable Housing Set-Aside Fund	RDA	Ongoing

CONSERVE AND IMPROVE EXISTING AFFORDABLE HOUSING

Preservation Program	Conserve affordable housing in the City.	Encourage Section 8 New Construction single family rental unit property owners to renew their contracts.	General Fund	Planning and Development Department/RDA;	Ongoing per the 5 year renewal basis.
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**TABLE H-46
CITY OF LA QUINTA
HOUSING PLAN SUMMARY**

Housing Program	Program Intent	Plan Objective (# Units to be Assisted)	Potential Funding Source	Responsible Agency	Time Frame
Assessment/Hook Up Subsidy Program	Alleviate financial hardship for infrastructure improvements.	Provide owner and renter assistance for property owner assessment district payments, sewer connection permit fees, and plumbing installation costs.	Tax Increment Financing	RDA	Ongoing
Code Enforcement Code Compliance Rehabilitation Program	Preserve the housing stock and correct code violations.	Develop a Housing Inspection Program which monitors housing stock on five year basis, based on building conditions survey. Earmark funds for property acquisition as needed for demolition or major rehabilitation. Consider establishing a Code Compliance Rehabilitation Grant or Loan program.	CDBG; Tax Increment Set-Aside	Building and Safety Department; Inspection Program; RDA; property acquisition and Code Compliance Program	Monitor condition of units in 1996 based on 1994 cited units. Establish Code Compliance Rehab program in 1995.
Tool Lending/Self-Help	Maintain integrity of housing stock.	Establish a Tool Lending Program. Advise the availability of home repair information and tool lending to improve aesthetics, perform minor repairs and mitigate deferred maintenance of 50 units in the Cove and Village.	CDBG	RDA	1995-1996
Residential Rehabilitation Assistance	Preserve existing housing stock through low interest loans.	Consider establishing a residential rehabilitation program. Provide program referrals through code enforcement activities for 10 units/year.	CDBG; Affordable Housing Set-Aside	RDA; Building and Safety Department; Planning and Development Department	1994-1996
CHRP-R Prop 77	Preserve existing rental stock.	Assist property owner in application for funds from HCD, predicated on funding availability. Up to 6 rental units are targeted for this program pending release of NOFA.	HCD	RDA; Property owner.	When NOFA is issued, pending funding
Replacement of Units Removed	Preserve housing stock	The RDA will replace housing units demolished in Redevelopment Areas, investigate feasibility of development replacement for affordable housing.	Tax-increment financing; General Fund	RDA; Planning and Development Department	Ongoing
Senior Home Repair Grants	Correct minor and deferred repairs for senior homeowners	Consider a grant program through RDA, or allocate funds to Housing Authority to administer \$250 grants for minor repairs and deferred maintenance.	Affordable Housing Set-Aside Fund or CDBG	RDA or; Riverside County Housing Authority	
CHRP-O Proposition 84	Preserve existing ownership housing stock	The City will apply to CHRP-O for funds to assist homeowners receive low interest and deferred interest loans pending release of NOFA, if funding becomes available.	State HCD; Proposition 84	City; RDA	When NOFA is issued, if funding is available
Mobile Home Park Assistance	Preserve low-cost housing options for City residents.	Provide technical assistance to mobile home park residents in pursuing MPAP funds.	HCD	HCD; RDA	As needed.
Low Income Home Energy Act Program -Weatherization	Utilities assistance and reduction of utilities cost through weatherization of homes.	Support the county of Riverside Department of Community Action in providing utilities assistance and weatherization to 20 very low income households.	CDBG	Riverside County Department of Community Action	Ongoing
EQUAL HOUSING OPPORTUNITY					
Equal Housing Opportunity	Compliance with Federal Fair Housing Act.	Support the programs and activities of the Fair Housing Council of Riverside County. The City will direct residents with discrimination complaints to the State Department of Fair Employment and Housing	CDBG	Fair Housing Council	Ongoing.

**TABLE H-46
CITY OF LA QUINTA
HOUSING PLAN SUMMARY**

Housing Program	Program Intent	Plan Objective (# Units to be Assisted)	Potential Funding Source	Responsible Agency	Time Frame
Housing Referral Directory	Dispense information on local, state and federal housing programs.	Update the directory of services and resources for low-and moderate-income households and special needs groups. Provide information and referrals to persons on an as needed basis.	Department Budget	Planning and Development Department; RDA	1994-95
ENERGY CONSERVATION OPPORTUNITIES					
Public Education	Promote residential energy conservation.	The City will support public education programs and encourage water conservation.	General Fund/ other public or private sources.	City of La Quinta; Outside interest groups.	Ongoing.
Title 24 Admin. Code	Require compliance in new construction and rehabilitation.	The City will continue to enforce building code regulations (Title 24).	General Fund.	Engineering and Building Department.	Ongoing.
Environmental Review	Require energy conservation measures in new construction.	EIRs for development and subdivisions shall be required to analyze energy impacts and solar uses.	General Fund.	Planning and Development Department.	Ongoing.
HOUSING ELEMENT MONITORING AND REPORTING					
Annual Reporting	Ensure that the Housing Element retains its viability and usefulness thorough annual review and monitoring.	Develop monitoring program and report annually to the City Council on implementation progress. Forward the monitoring report to HCD.	None Necessary	Planning and Development Services Department	Ongoing
¹ Identifies potential sources of funding. Listing of a particular funding source of a particular program does not connote that it has been allocated or appropriated as a source of funding for such program.					

12.0 QUANTIFIED OBJECTIVES

State Housing Law requires that each jurisdiction establish the maximum number of housing units that will be constructed, rehabilitated, and preserved over the planning period. The quantified objectives for this Element reflect the planning period from July 1, 1989 to July 1, 1996.

It is important to note that while the Quantified Objectives of the RHNA are required to be part of the Housing Element and the City will strive to attain these objectives, La Quinta cannot guarantee that these needs will be met given limited financial resources and the present gap in affordability of housing resources and incomes. Satisfaction of the City's regional housing needs will partially depend upon cooperation of private funding sources and funding levels of the state, federal and County programs that are used to support the needs of the very low, low and moderate income persons. Additionally, outside economic forces heavily influence the housing market. State law recognizes that a locality may not be able to accommodate its regional fair share housing need.

The quantified objectives assume optimum conditions for the production of housing. However, environmental, physical and market conditions exert influence on the timing, type and cost of housing production in a community.

Table H-47 summarizes the quantified objectives for La Quinta by income classification and compares them to the RHNA numbers. As shown in Table H-47, the quantified objectives are 230 Very Low; 220 Low; 653 Moderate; and 2,712 Above Moderate units provided through construction. Objectives for conservation of units are targeted at 85 Very Low; and 34 Low income households. Finally, the objective through the planning period is rehabilitation/infrastructure assistance of 109 Very Low; 167 Low; and 130 Moderate income units. The total number of units proposed for new construction during the planning period exceed the RHNA numbers for each income classification.

Table H-48 displays the quantified objectives for La Quinta by income classification by program. A description of objectives by topical area is provided on the following pages.

**TABLE H-47
CITY OF LA QUINTA
QUANTIFIED OBJECTIVES SUMMARY**

Quantified Objective	New Construction	Conservation	Rehabilitation	TOTAL
Very Low Income (0 - 50% of Median)	230	85	109	424
Low Income (50 - 80% of Median)	220	34	167	421
Moderate Income (80 - 120% of Median)	653	--	130	783
Above Moderate Income (over 120%)	2,712	--	--	2,712
TOTAL	3,815	119	406	4,340

**TABLE H-48
QUANTIFIED OBJECTIVES BY PROGRAM
1989 - 1996**

Program	Very Low	Low	Moderate	Above Moderate	Total
NEW CONSTRUCTION					
RDA/Non-profits ¹ (ownership)	5	5	--	--	10
RDA/Private Developer ¹ (ownership)	19	15	70	--	104
RDA/Private Developer ¹ (rental)	140	--	--	--	140
Second Units	2	2	4	--	8
Mortgage Credit Certificates ²	--	3	7	--	10
Equity Sharing	2	2	2	--	6
Market Rate Housing (With Density Bonus)	57 ³	188 ⁴	570	2,712	3,527 ⁵
HOMESHARE Program	5	5	--	--	10
Subtotal	230	220	653	2,712	3,815
HOUSING PRESERVATION					
Section 8 Rental Vouchers	60	31	--	--	91
Redevelopment/Code Enforcement Replacement ⁶	3	3	--	--	6
Existing Assisted Housing - Section 8 New Construction Single Family Rental Units	22	--	--	--	22
Subtotal	85	34	--	--	119

TABLE H-48
QUANTIFIED OBJECTIVES BY PROGRAM
1989 - 1996

Program	Very Low	Low	Moderate	Above Moderate	Total
REHABILITATION					
Senior Grants ²	10	15	--	--	25
Assessment Subsidy Program	44	77	65	--	186
La Quinta Home Improvement Program and Code Enforcement Grant/Loan Program ⁷	40	50	50	--	140
CHRP-0/CHRP-R ²	**	**	**	--	**
LIHEAP and Weatherization	5	--	--	--	5
Tool Lending/Neighborhood Clean-Up	10	25	15	--	50
Subtotal	109	167	130	--	406
TOTAL	424	421	783	2,712	4,340

- ¹ This objective is achieved through implementation of potential programs which may include, but are not limited to: landbanking, HOME, equity sharing, CDBG (if appropriated to infrastructure improvements or land acquisition), CHFA, and other resources available to the City
- ² Dependent on funding.
- ³ Includes 3 mobile homes identified in the City's Development Trends Report and 8 units conditioned in the Lake La Quinta tract.
- ⁴ Includes 118 units constructed at La Quinta Palm Royale
- ⁵ Assumes growth rate of 309 units per year in 1994 and 1995, based on the past three year average development activity, and 155 units for the period of January to July 1, 1996.
- ⁶ Based on past trends averaging 3 units per year since 1989, 10 of which were multi-family, 5 single family.
- ⁷ Potential sources of funding for rehabilitation activities include the Riverside County Home Improvement Program, redevelopment Set-Aside funds, and possible CDBG funds if appropriated to rehabilitation activities.

12.1 New Construction

State law requires that jurisdictions estimate the maximum number of units that can be constructed within the planning period, by income group. The number of new units that will be constructed through 1996 was estimated based on existing development trends. It was assumed that new construction would continue to provide a higher percentage of units at market rate that would accommodate Moderate and Above Moderate income households. In the current market, development of multi-family rental units typically provide housing opportunities for low-income housing. As indicated in the Needs Section, a proportion of rental units at market rates (both the La Quinta Palms Apartments and single family detached units in the Cove) are affordable to Low and Moderate income households. However, most of these affordable units were constructed over a decade ago, when the cost of land was substantially lower, and the standard requirements for infrastructure and design amenities were lower. The majority of higher density ownership or rental

units developed within the past decade are located within golf course or resort developments, and are offered at market rates generally affordable only to the upper ranges of Moderate income households, and Above Moderate income households.

The numbers of Very Low, and Low income households that can be built as part of a market rate project will result from application of the proposed inclusionary requirement, supported by continued coordination with non-profit and private developers, development incentives and density bonus provisions. As Moderate income households can afford to purchase a limited percentage of new single family residential attached and detached units, this factor has also been considered. Building permit applications for 1991 -1994 were used to determine the market rate units which will be completed and available during the planning period for Above Moderate income households.

12.2 Rehabilitation

The majority of the City's housing stock was built within the past ten years, and is therefore considered in good condition. However, approximately 350 units in need of correction of deferred maintenance or rehabilitation exist in older residential areas of the City not inclusive of mobile homes. The Code Enforcement activities, potential La Quinta Housing Maintenance and Rehabilitation Program, Senior Housing Grants, the County Home Improvement Program, and the Tool Lending programs, (and the potential for funding from the State CHRP-R Program depending on availability), address the rehabilitation of both multi-family and single-family units in these areas. The primary beneficiaries of these programs would be renters and low income ownership households. It is assumed that Moderate and Above Moderate income households (above 80% of the median County income) will rehabilitate units as needed through private efforts.

12.3 Preservation of Affordable Units

There are 22 assisted single family detached rental units in the City of La Quinta, developed through the Section 8 New Construction Program. Six of these units renewed their contracts in 1993. The remainder will be eligible for contract renewals on individual five year cycles. These units are not subject to the Preservation of At-Risk Units requirements. However, as these units are a significant resource of affordable housing in the City, the status of these units should be monitored on a periodic basis to ensure that contracts between HUD and the property owner - Sanfric Development - are renewed. The purchase of affordability contracts for these rental units is a potential program should Section 8 funding contracts be terminated.

Maintenance of the number of Section 8 rental vouchers used at rental units in the City is also considered preservation of units. The quantified objectives take into account the existing number of Section 8 rental vouchers presently used in the City, with anticipated expansion of the number of rental units in the City participating in the program. The additional rental properties anticipated to participate in the Section 8 rental voucher program may include both existing properties, and newly constructed units.

12.4 Accomplishment of RHNA Targets

The 1989 Housing Element contained a review of actions taken and progress made in implementing the 1985 Housing Element. The review, contained in the Technical Appendices, indicated that the City fell short of its quantified affordable housing objectives.

A review of more recent City housing actions paints a dramatically different picture. Since adoption of the 1989 Housing Element, the City has made significant progress in reaching its affordable housing goals. The City has made substantial progress in achieving its quantified objectives for new construction, particularly in the Low, Moderate and Above Moderate Income categories, as shown in Table H-49. As shown in Table H-50, approximately 71 percent of the targeted units for new construction have been completed or were under application as of 1994. Significant progress is being made in meeting new construction objectives for Very Low and Low income households established by the RHNA. The City has accomplished 80% of the RHNA target of 206 new construction Very Low income units, and 70% of the RHNA target of 200 new construction Low income units through its activities undertaken since 1989.

**TABLE H-49
NEW CONSTRUCTION ACCOMPLISHMENTS
1989 - 1994**

Project	Very Low	Low	Moderate	Above Moderate	Total
Units Completed					
WES Development	9	5	--	--	14
Coachella Valley Housing Authority	5	5	--	--	10
Market Rate	--	118 ¹	445 ¹	2,191 ²	2,754
Coachella Valley Land (rental)	50	--	--	--	50
SUBTOTAL	64	128	445	2,191	2,828
Units Contracted					
WES Development	--	1	--	--	1
Coachella Valley Land	--	--	30	--	30
Williams Development Corporation DDA*	100	10	40	--	150
SUBTOTAL	100	11	70	--	181
TOTAL	164	139	515	2,191	3,009

¹ Source: Residential New Home Trends, December 1993
² Source: City of La Quinta, Historic record of Housing Development

**TABLE H-50
PROGRESS TOWARD ACCOMPLISHMENT OF RHNA**

Income Category	New Construction Target	New Construction Completed or Contracted to Date	RHNA	Surplus/Deficit to Date
Very Low Income (0 - 50% of Median)	230	164	206	<42>
Low Income (50 - 80% of Median)	220	139	200	<61>
Moderate Income (80 - 120% of Median)	653	515	231	284
TOTAL	1,103	818	637	181

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